



Health Care in Massachusetts: Key Indicators, February 2011 Edition

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Key Indicators

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About this Report

Health Care in Massachusetts: Key Indicators is a quarterly report from the Division of Health Care Finance and Policy (DHCFP). *Key Indicators* provides an overview of the Massachusetts health care landscape based on data reported by providers, health plans, government, and surveys of Massachusetts residents and employers.

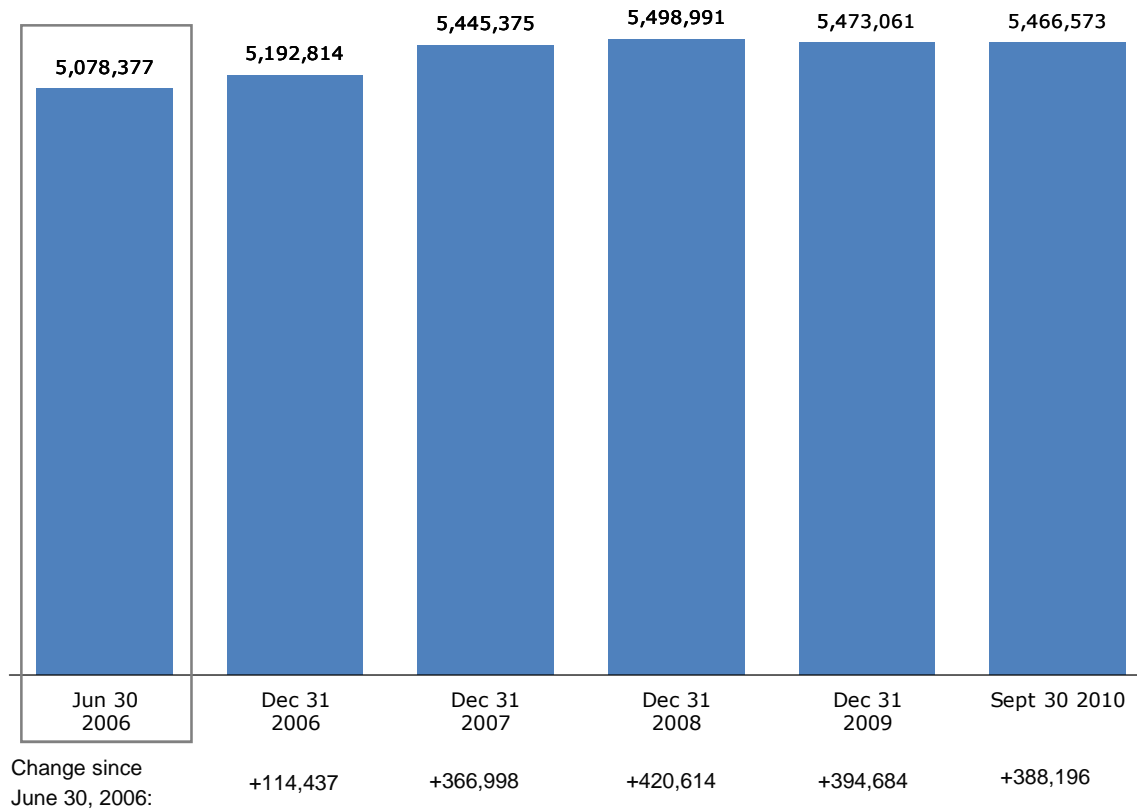
DHCFP found that as of September 30, 2010, 388,196 people have obtained health insurance since implementation of health care reform in June 2006. Total number of people with health insurance declined slightly (by 0.1%) during the nine months between December 31, 2009 and September 30, 2010, but the individual market, Commonwealth Care, and MassHealth, respectively, experienced enrollment increases of 5.9%, 2.7%, and 4.1% during the period. For the same period, total private group enrollment decreased by 1.2%.

Health plan financial performance for the third quarter of the 2010 calendar year is presented in this edition of the report. Also updated in this report are: results from the 2010 DHCFP Employer Survey; service, demand, and payment information for the Health Safety Net 2010 fiscal year; health insurance premiums from the Health Connector; and enrollment in the Prescription Advantage program by MassHealth members aged 65 and older. This report does not update the DHCFP Health Insurance Survey; financial performance of Acute Hospitals; financial performance of Community Health Centers (CHCs); health care access measures from the Behavioral Risk Factor Surveillance System (BRFSS) survey; and enrollment information on MassHealth members aged 65 and over. Data for these sections are carried over from the November 2010 edition of the report.



Individuals with Health Insurance, 2006-2010

Excludes Medicare Enrollees



The total number of insured residents decreased slightly by 6,488 enrollees between December 31, 2009 and September 30, 2010, resulting in, for the period, a 1.6% decline (from 395,083 to 388,196) in the total number of newly-insured residents (change in enrollment since June 2006).

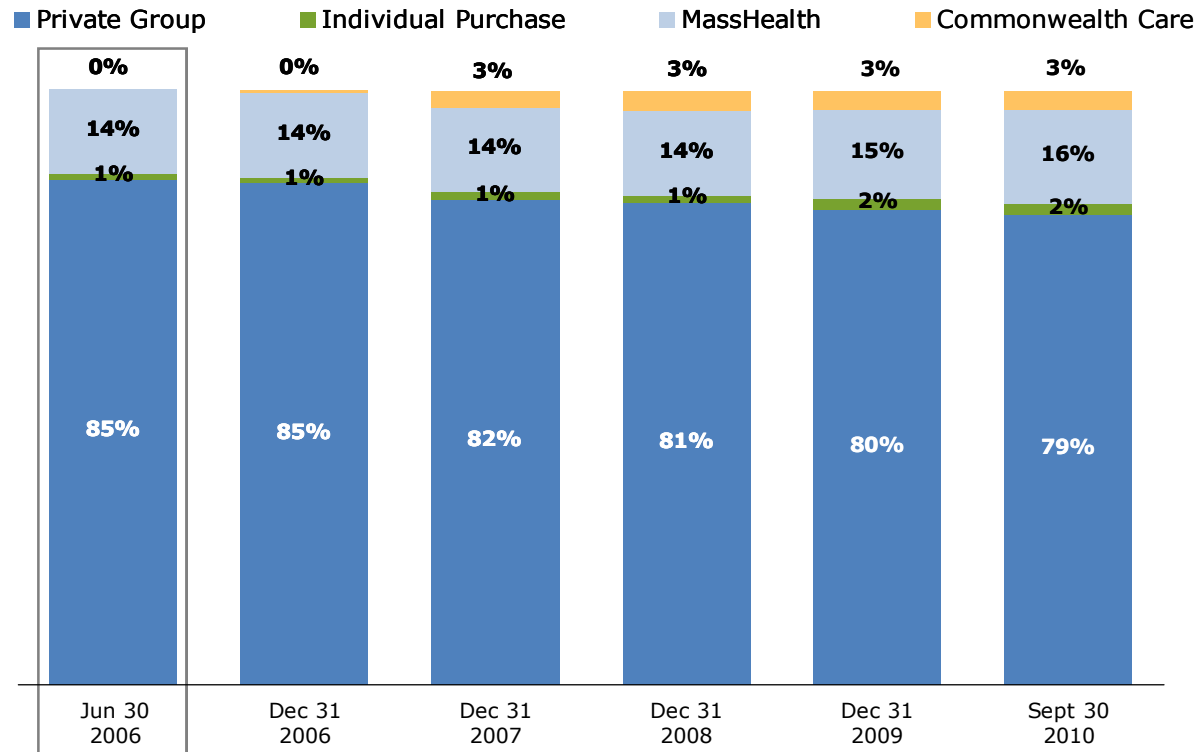
Notes: Data reflect total enrollment as of the specified date. Totals include Massachusetts residents enrolled in health insurance products offered by the following health plans and their affiliates: Aetna Health, Blue Cross Blue Shield (BCBSMA, HMO Blue and Massachusetts residents insured through other Blue Cross Association plans), Boston Medical Center HealthNet Plan, CeliCare, CIGNA, ConnectiCare, Fallon, Great-West Health Care, Harvard Pilgrim Health Care, HealthMarkets (MEGA Life and Health Insurance Company, Mid-West National Life Insurance Company of Tennessee, and the Chesapeake Life Insurance Company), Health New England, MassHealth, Neighborhood Health Plan, Tufts, UniCare and UnitedHealthcare. Third quarter enrollment data for Network Health are not included. Data exclude the following insured Massachusetts residents: federal employees not insured through a commercial carrier, active duty military personnel and their families who receive services through Champus/Tricare only, and inmates of the Department of Correction. Numbers may not match previous editions of Key Indicators, as health plans may revise enrollment information in previous quarters.

Sources: Membership reported to DHCFF by health plans, and MassHealth; Commonwealth Care enrollment data are from the Health Connector.



Insured Population by Insurance Type, 2006-2010

Excludes Medicare Enrollees



Of the newly insured since health reform, a significant number are MassHealth and Commonwealth Care members. The majority of residents (79%), however, continue to receive coverage through the private group market. The economic downturn may be a contributor to the slight decline in the private group market, which saw substantial coverage increases during the first two years of health reform prior to the economic recession.

Number of Members by Coverage Type:

| | Jun 30 2006 | Dec 31 2006 | Dec 31 2007 | Dec 31 2008 | Dec 31 2009 | Sept 30 2010 | Change since 6/30/06: |
|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------------|
| Private Group | 4,333,014 | 4,395,136 | 4,457,157 | 4,474,466 | 4,358,867 | 4,306,925 | -26,089 |
| Individual Purchase | 40,184 | 38,718 | 65,465 | 81,073 | 114,668 | 121,440 | +81,256 |
| MassHealth | 705,179 | 740,633 | 764,559 | 780,727 | 848,528 | 883,066 | +177,887 |
| Commonwealth Care | 0 | 18,327 | 158,194 | 162,725 | 150,998 | 155,142 | +155,142 |
| Total Members | 5,078,377 | 5,192,814 | 5,445,375 | 5,498,991 | 5,473,061 | 5,466,573 | +388,196 |

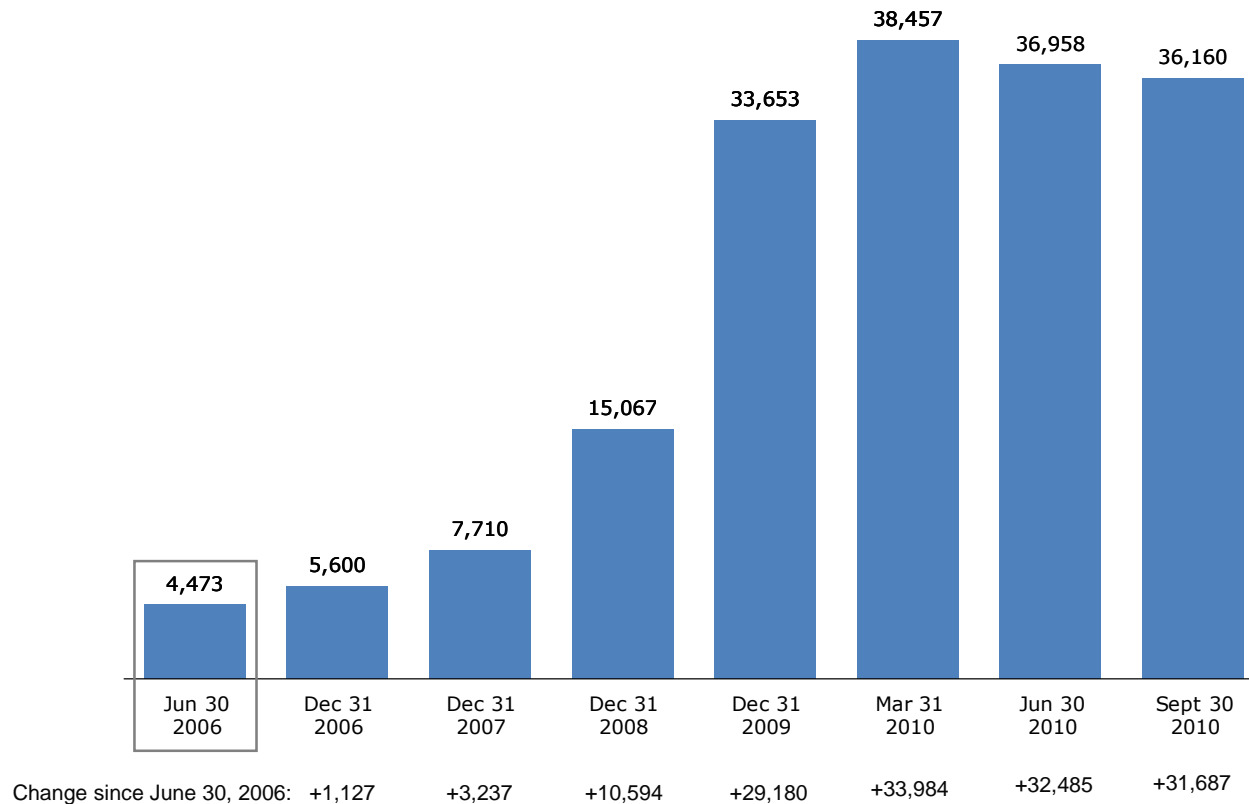
Notes: Private group includes large group, small group, and self-insured members reported by the health plans listed on page 6. Individual purchase includes Commonwealth Choice and residual non-group market. MassHealth enrollment does not include members with partial coverage or premium assistance; they are counted in the private plans. These members include Seniors, MassHealth Limited, individuals with third party liability (e.g., disabled with Medicare), and Family Assistance/Insurance Partnership. Commonwealth Care includes enrollment in Boston Medical Center HealthNet Plan, Fallon, Neighborhood Health Plan. Third quarter enrollment data for Network Health are not included. Data reflect total enrollment, rounded to the nearest thousand, as of the specified date. Totals include Massachusetts residents enrolled in health insurance products offered by the following health plans and their affiliates: Aetna Health, Blue Cross Blue Shield (BCBSMA, HMO Blue and Massachusetts residents insured through other Blue Cross Association plans), Boston Medical Center HealthNet Plan, CeltiCare, CIGNA, ConnectiCare, Fallon, Great-West Health Care, Harvard Pilgrim Health Care, HealthMarkets (MEGA Life and Health Insurance Company, Mid-West National Life Insurance Company of Tennessee, and the Chesapeake Life Insurance Company), Health New England, MassHealth, Neighborhood Health Plan, Network Health, Tufts, UniCare and UnitedHealthcare. Data exclude the following insured MA residents: federal employees not insured through a commercial carrier, active duty military personnel and their families who receive services through Campus/Tricare only and inmates of the Department of Correction. Numbers may not match previous editions of *Key Indicators*, as health plans may revise enrollment information in previous quarters. Percentages may not sum to 100 due to rounding.

Sources: Membership reported to DHCFF by health plans, and MassHealth; Commonwealth Care enrollment data are from the Health Connector.



Medical Security Program Enrollment, 2006-2010

Unemployment Claimants and Dependents



The Medical Security Program (MSP) is a health care plan for low- and moderate-income Massachusetts residents receiving unemployment insurance benefits.

The third quarter of 2010 recorded the second consecutive decline in MSP enrollment. Total enrollment in the program has declined by 6% since the first quarter of 2010.*

*Quarterly results may not be indicative of year-end trends.

The MSP offers two types of coverage: premium assistance for COBRA-eligible individuals, and direct coverage for individuals who do not qualify for COBRA. Premium assistance members are counted in the private group market while direct purchase enrollees are included in individual purchase on page 4. MSP enrollees are included in the total enrollment on page 3 and are reflected in total enrollment by insurer on page 7.

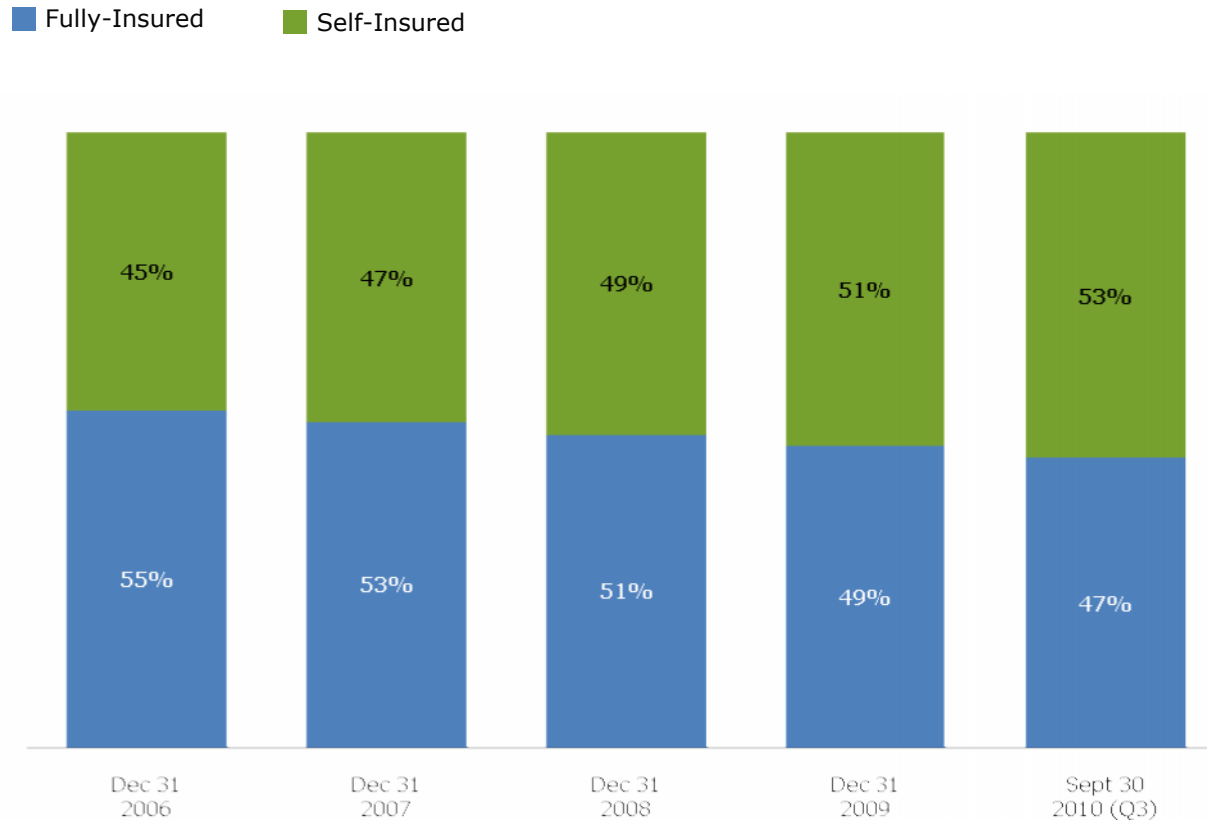
More information on COBRA can be found at www.dol.gov/ebsa/cobra

Notes: Data reflect total enrollment including unemployment insurance enrollees and their dependents.
Source: Massachusetts Division of Unemployment Assistance.



Private Group Enrollment Distribution by Fully and Self-Insured Plans, 2006-2010

Excludes Medicare Advantage



Membership in self-insured products has grown steadily since December 2006 and currently accounts for more than half of private group enrollment.

Self-insured products are arrangements in which an employer provides health benefits to employees and assumes the insurance risk for claims payment. Unlike fully-insured products, the health plan acts as a third party administrator for self-insured products and is not at risk for medical costs.

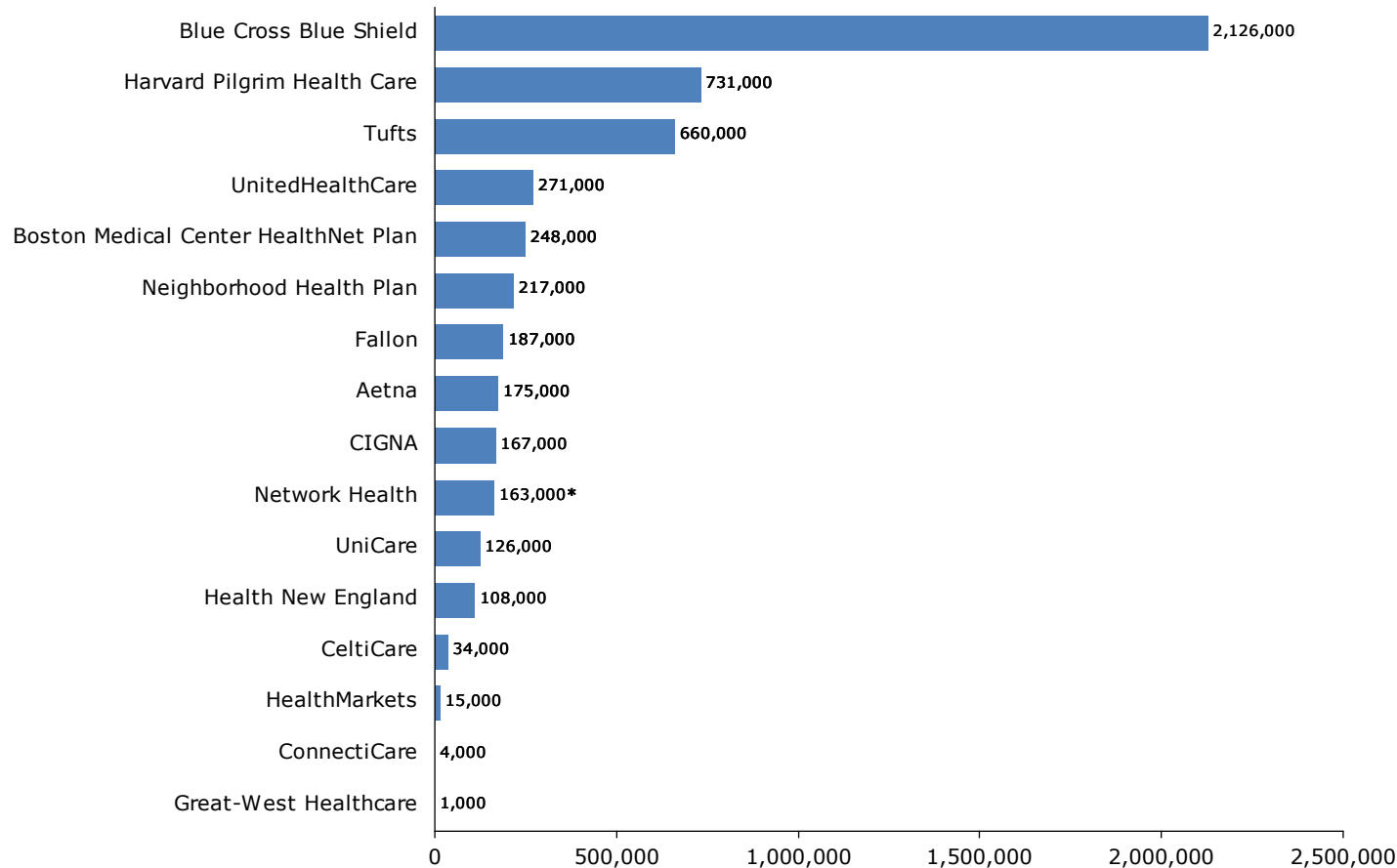
The Employee Retirement Income Security Act (ERISA) exempts self-insured plans from most state oversight and regulations.

Notes: Data reflect enrollment in large and small group health insurance. Self-insured products are those reported by health plans listed on page 7 and do not include self-administered or third-party administered plans. As a result, the number of self-insured members may be understated. Totals include Massachusetts residents enrolled in health insurance products offered by the following health plans and their affiliates: Aetna Health, Blue Cross Blue Shield (BCBSMA, HMO Blue and Massachusetts residents insured through other Blue Cross Association plans), CIGNA, ConnectiCare, Fallon, Great-West Health Care, Harvard Pilgrim Health Care, HealthMarkets (MEGA Life and Health Insurance Company, Mid-West National Life Insurance Company of Tennessee, and the Chesapeake Life Insurance Company), Health New England, Neighborhood Health Plan, Tufts and UniCare. UnitedHealthcare does not report information on fully- and self-insured membership and data are not included on this page. The Q3 2010 fully-insured rate reflects fully-insured membership data from CeltiCare health plan. CeltiCare did not report fully-insured membership for periods prior to September 30, 2010. Percentages may not sum to 100 due to rounding.

Sources: Membership reported to DHCFF by health plans.



Enrollment by Insurer as of September 30, 2010 (Includes Medicare Advantage)



Enrollment figures by insurer include all Massachusetts residents enrolled in health insurance products offered by the identified insurer and its affiliates. MassHealth, Medicare Advantage, and Commonwealth Care enrollment are included in addition to fully and self-insured group and direct purchase products.

As of the third quarter of 2010, Blue Cross Blue Shield's share of the Massachusetts insurance market is 40.8%.

*Membership for Network Health is as of June 30, 2010, as third quarter enrollment data were not available for this edition of the report.

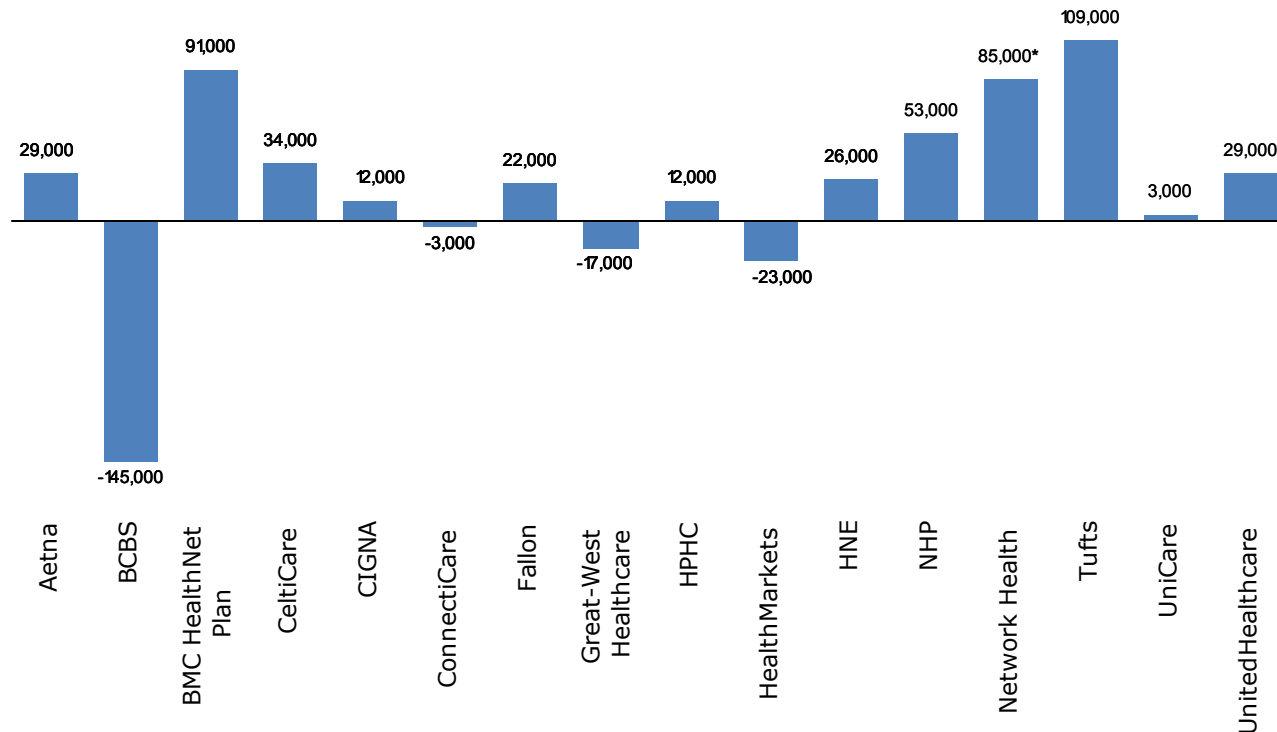
Notes: Data reflect total enrollment as of September 30, 2010, rounded to the nearest thousand. Figures by plan include Massachusetts residents who are enrolled in health insurance products administered by the listed insurer and all of its affiliates. Enrollment includes group, non-group, Commonwealth Choice direct purchase, FEHBP, student health insurance, MassHealth, Medicare Advantage, Commonwealth Care, and fully- and self-insured members. Products offering limited health benefits or supplemental coverage are not included. Joint ventures between health plans are reported by the primary administrator. Blue Cross Blue Shield includes HMO Blue, BCBSMA, Massachusetts residents enrolled in out-of-state association plans that subcontract with BCBSMA, and Massachusetts residents enrolled in other out-of-state association plans. Health New England (HNE) started offering Medicaid policies to its members in July 2010. HNE total membership includes approximately 4,000 Medicaid members. Total numbers of people with health insurance presented on pages 3 and 4 include MassHealth members not enrolled in private plans and exclude Medicare Advantage. Therefore, numbers by insurer will not sum to totals on pages 3 and 4 of this report. UniCare data, previously reported by GIC, are directly from UniCare and include both GIC and other fully and self-insured products. As DHCFP identifies self-insured members and enrollment in affiliated plans, numbers are not comparable to enrollment or financial information reported in quarterly and annual statements by health maintenance organizations to the Massachusetts Division of Insurance.

Sources: Membership reported to DHCFP by health plans, MassHealth, and the Health Connector.



Change in Enrollment by Insurer

June 2006 to Sept 2010 (Includes Medicare Advantage)



The majority of health plans have seen growth in enrollment since implementation of health care reform in Massachusetts, with significant membership increases for Boston Medical Center HealthNet Plan, Neighborhood Health Plan, and Tufts Health Plan.

BCBS enrollment has declined by 145,000 members since June 2006.

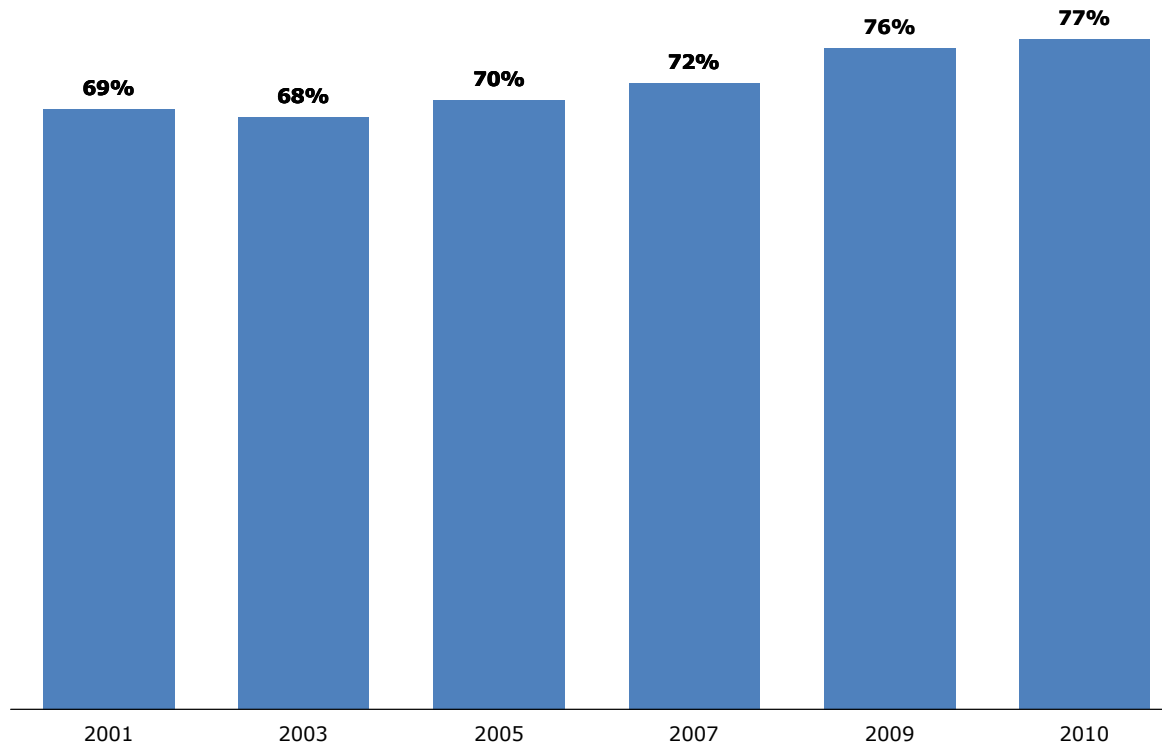
*Change in enrollment for Network Health is between June 2006 and June 30, 2010, as third quarter 2010 data were not available for this edition of the report.

Notes: Data reflect the change in total enrollment, rounded to the nearest thousand, between June 30, 2006 and September 30, 2010. Figures by plan include Massachusetts residents who are enrolled in health insurance products administered by the listed insurer and all of its affiliates. Enrollment includes group, non-group, Commonwealth Choice direct purchase, FEHBP, student health insurance, MassHealth, Medicare Advantage, Commonwealth Care, and fully- and self-insured members. Products offering limited health benefits or supplemental coverage are not included. Joint ventures between health plans are reported by the primary administrator. HPHC losses include enrollees in a plan that is jointly administered by UnitedHealthcare and are included in UnitedHealthcare's enrollment tally. Blue Cross Blue Shield includes HMO Blue, BCBSMA, Massachusetts residents enrolled in out-of-state association plans that subcontract with BCBSMA, and Massachusetts residents enrolled in other out-of-state association plans. Total numbers of people with health insurance presented on pages 3 and 4 include MassHealth members not enrolled in private plans and exclude Medicare Advantage. Therefore, numbers by insurer will not sum to totals on pages 3 and 4 of this report. UniCare data previously reported by GIC, are directly from UniCare and include both GIC and other fully- and self-insured products. As DHCFP identifies self-insured members and enrollment in affiliated plans, numbers are not comparable to enrollment or financial information reported in quarterly and annual statements by health maintenance organizations to the Massachusetts Division of Insurance.

Sources: Membership reported to DHCFP by health plans, MassHealth, and the Health Connector.



Percent of Massachusetts Employers Offering Health Insurance, 2001-2010



Seventy-seven percent (77%) of employers in the Commonwealth offered health insurance to their employees in 2010, compared to 69% of employers who did so in 2001. In 2010, 69% of national employers offered coverage.*

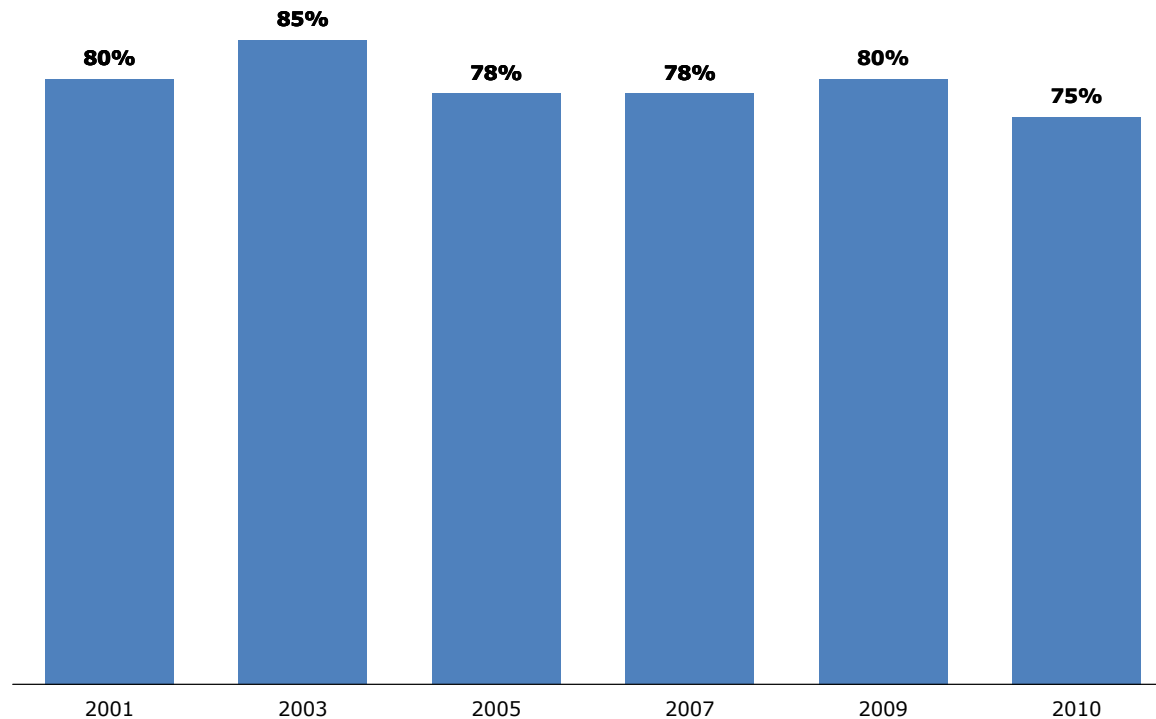
Employers offering health insurance represents the proportion of all employers in Massachusetts (excluding federal and state public agencies) with at least three employees who make health insurance available to employees. Changes in the employer offer rate do not reflect employment and/or unemployment fluctuations in the state's economy.

*The national average was 60% in 2009. According to Kaiser/HRET, "the reason for the large increase [from 60% to 69%] in offer rate is unclear. Because of the poor economic climate in 2010, it is unlikely that many firms began offering coverage this year. A possible explanation is that non-offering firms were more likely to fail during the past year, with the attrition of non-offering firms leading to a higher offer rate among surviving firms." (Kaiser/HRET News Release, September 2, 2010).

Sources: DHCFP Employer Surveys for selected years in the period 2001-2010. National average Kaiser/HRET Survey of Employer Sponsored Benefits, 2010. For further information on the DHCFP Employer Survey Report, visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Percent of Eligible Massachusetts Employees Enrolled in Employer-Based Health Insurance, 2001-2010



Three out of every four (75%) eligible employees in Massachusetts was enrolled in employer-based health plans in 2010.

The proportion of eligible employees enrolled in employer-sponsored health plans peaked at 85% in 2003.

Employee take-up rate of employer-sponsored insurance may be affected by changes in the employment status if, for example, someone who had been covered under an employer plan and purchasing family coverage loses his or her job, an employed spouse who may have previously opted out of coverage, may choose to opt into employer coverage to cover the family.

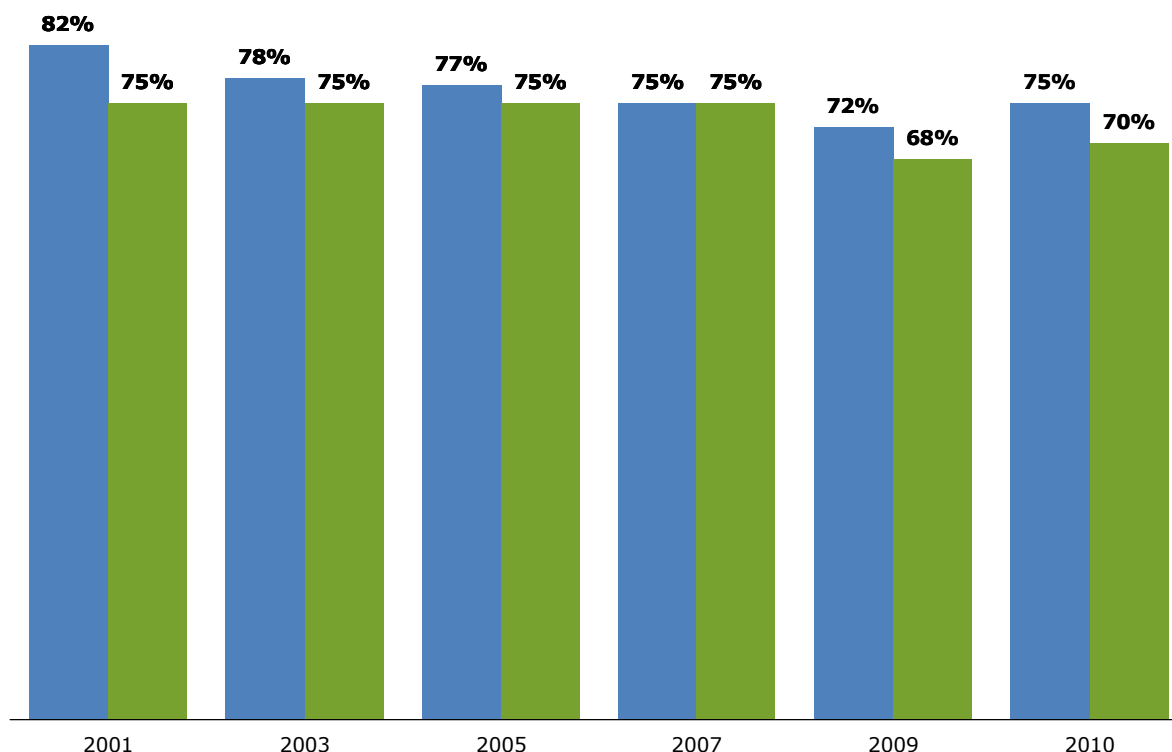
Note: Data reflect medians.

Sources: DHCFP Employer Survey for 2001, 2003, 2005, 2007, 2009, and 2010. For further information on the 2010 Employer Survey Report, visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Percent Contribution to Individual and Family Health Insurance Premiums by Massachusetts Employers, 2001-2010

■ Individual Premium ■ Family Premium



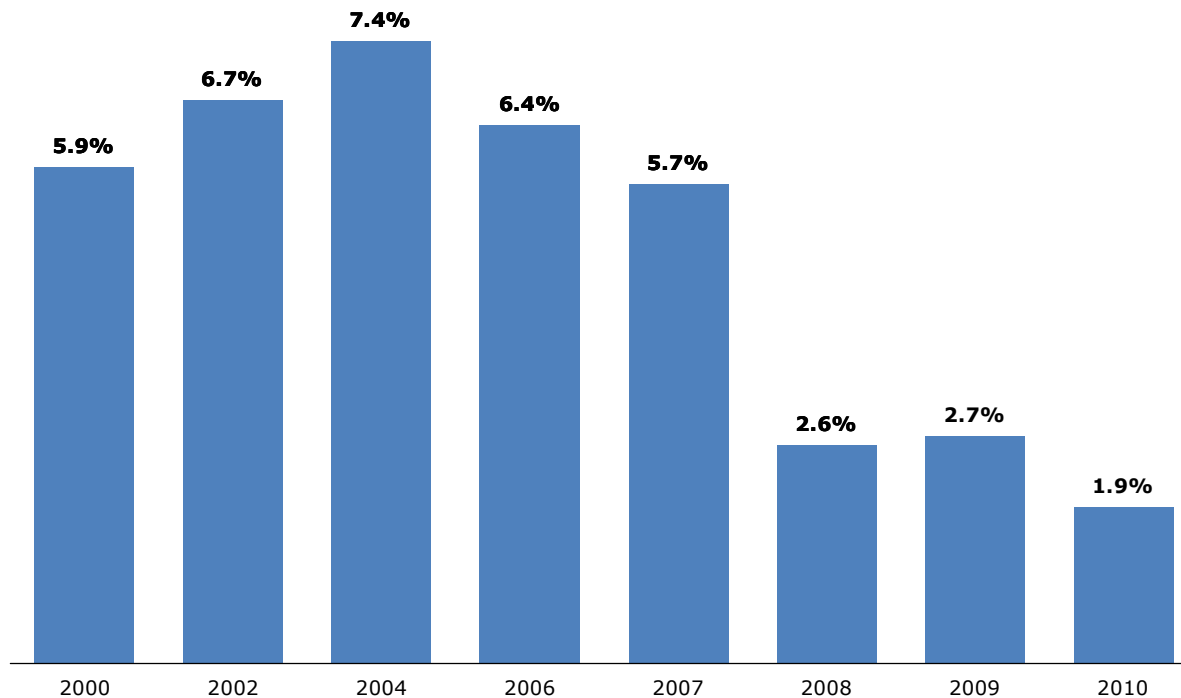
The proportion of individual and family health insurance premiums paid for by employers went up in 2010, compared to rates for 2009.

Note: Data reflect medians.

Sources: DHCFP Employer Survey for 2001, 2003, 2005, 2007, 2009, and 2010. For further information on the 2010 Employer Survey Report, visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Percent of all Massachusetts Residents without Health Insurance Coverage, 2000-2010



More than 98% of Massachusetts residents had health insurance at the time of DHCFP's 2010 Massachusetts Health Insurance Survey (MHIS). This suggests that as of 2010, only 120,000 Massachusetts residents (1.9% of the total population) remain without health insurance coverage.[†] Virtually all children in Massachusetts (99.8%) are now insured.

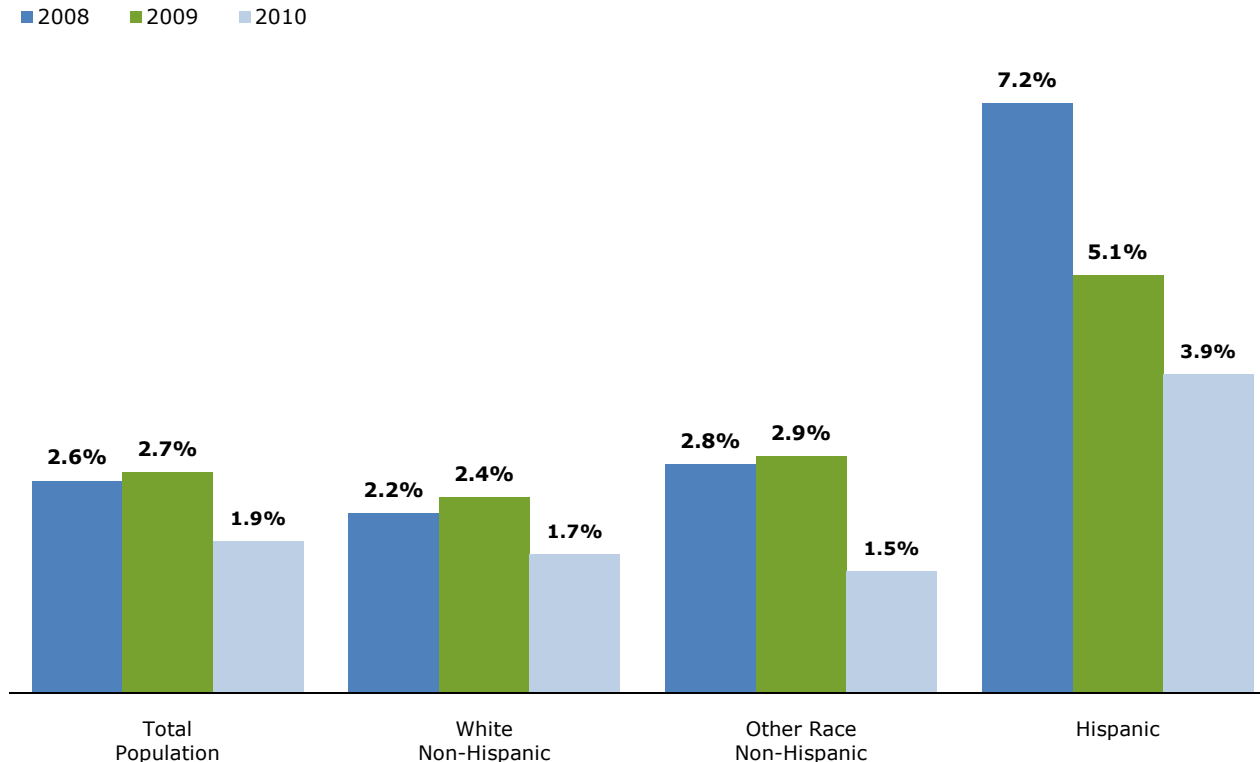
The national uninsurance rate was 16.7% in 2009, the most recent year for which data was available.

DHCFP implemented a new survey methodology beginning in 2008, therefore some caution should be taken when comparing data before 2008 to data after 2008, due to methodological differences.

[†]Population estimates are based on estimates of the total civilian non-institutionalized population in Massachusetts from the March Current Population Survey for the relevant year. Sources: DHCFP Household Surveys for 2000, 2002, 2004, 2006, and 2007; surveys from 2000 through 2006 were conducted February through June of the survey year; survey for 2007 was conducted January through July of 2007. Data for 2008, 2009 and 2010 are from the Urban Institute tabulations on the Massachusetts Health Insurance Survey for the respective years. For more information, please visit www.mass.gov/dhcfp. Click on "Publications and Analyses" then go to "Household Health Insurance Survey." National uninsured rate is as reported by the US Census Bureau in Income, Poverty, and Health Insurance Coverage in the United States, 2008 and 2009 data. Online at <http://www.census.gov>



Percent of Uninsured Massachusetts Residents by Race and Ethnicity, 2008-2010



Hispanic residents in Massachusetts were more likely to be uninsured than residents in other racial/ethnic groups in 2010. The rate of uninsurance for this group, however, has declined by 45% since 2008.

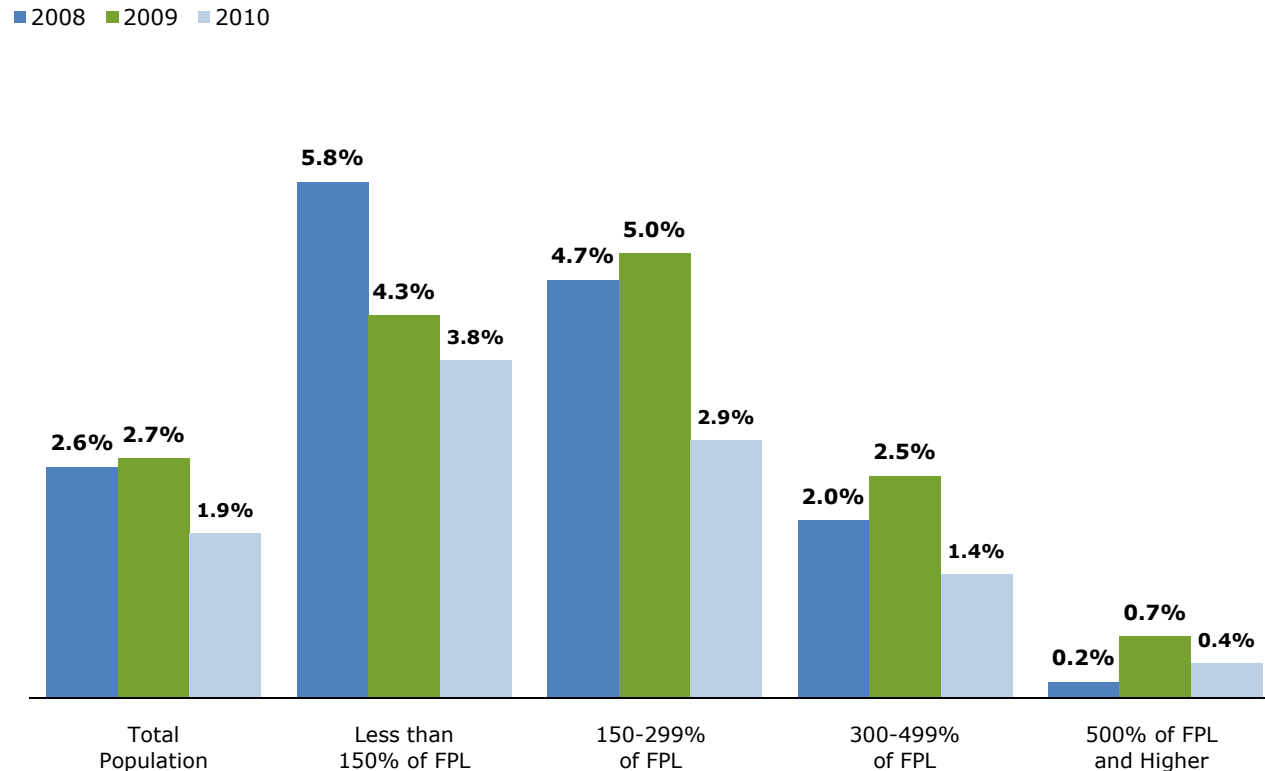
In some cases, what appears to be relatively large differences in estimates between 2008 and 2009 are not statistically significant. This arises because estimates based on small subgroups of the overall population have larger variances, making point estimates less precise. A test of significance was not conducted for the 2009 – 2010 period.

Note: Other race, non-Hispanic includes black and Asian in addition to other races.

Source: Urban Institute tabulations on the 2008, 2009, and 2010 Massachusetts Health Insurance Survey. For more information, please visit www.mass.gov/dhcfp. Click on "Publications and Analyses" then go to "Household Health Insurance Survey."



Percent of Uninsured Massachusetts Residents by Federal Poverty Level, 2008-2010



In 2010, Massachusetts residents with income less than 300% of the federal poverty level (FPL) were more likely to go without coverage than were those with higher incomes.

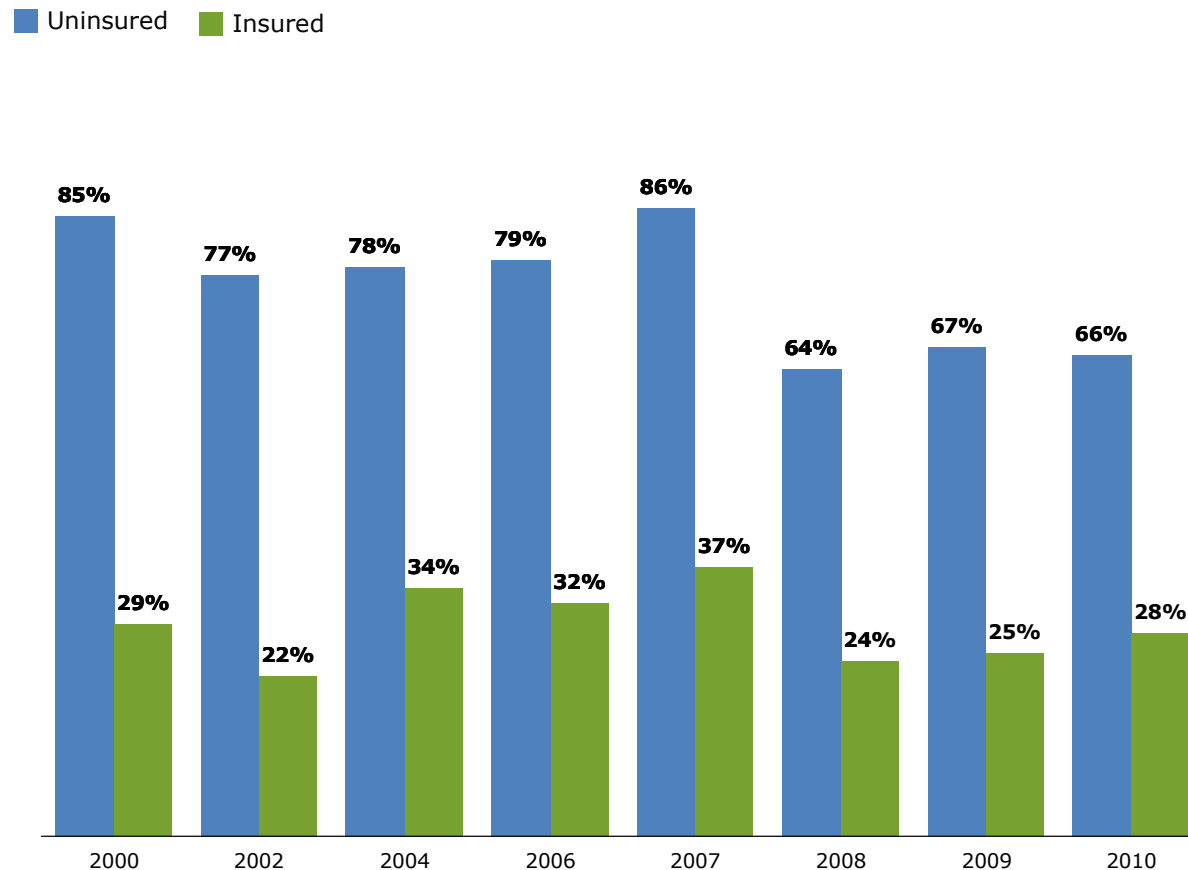
In some cases, what appears to be relatively large differences in estimates between 2008 and 2009 are not statistically significant. This arises because estimates based on small subgroups of the overall population have larger variances, making point estimates less precise. A test of significance was not conducted for the 2009 – 2010 period.

Source: Urban Institute tabulations on the 2008, 2009, and 2010 Massachusetts Health Insurance Survey. For more information, please visit www.mass.gov/dhcfp. Click on "Publications and Analyses" then go to "Household Health Insurance Survey."



Adult Residents who Needed Care but for whom Cost Was an Obstacle, 2000-2010

Percent of Massachusetts Residents Ages 19-64



Since 2007, cost has become less of an obstacle to accessing health care for Massachusetts residents, but remains a significant barrier for people without health coverage.

In the 2010 household survey, among adults aged between 19 and 64 years, 66% of uninsured residents compared to 28% of insured residents reported that cost affected their ability to access care.

DHCFP implemented a new survey methodology beginning in 2008, therefore some caution should be taken when comparing data before 2008 to data after 2008, due to methodological differences.

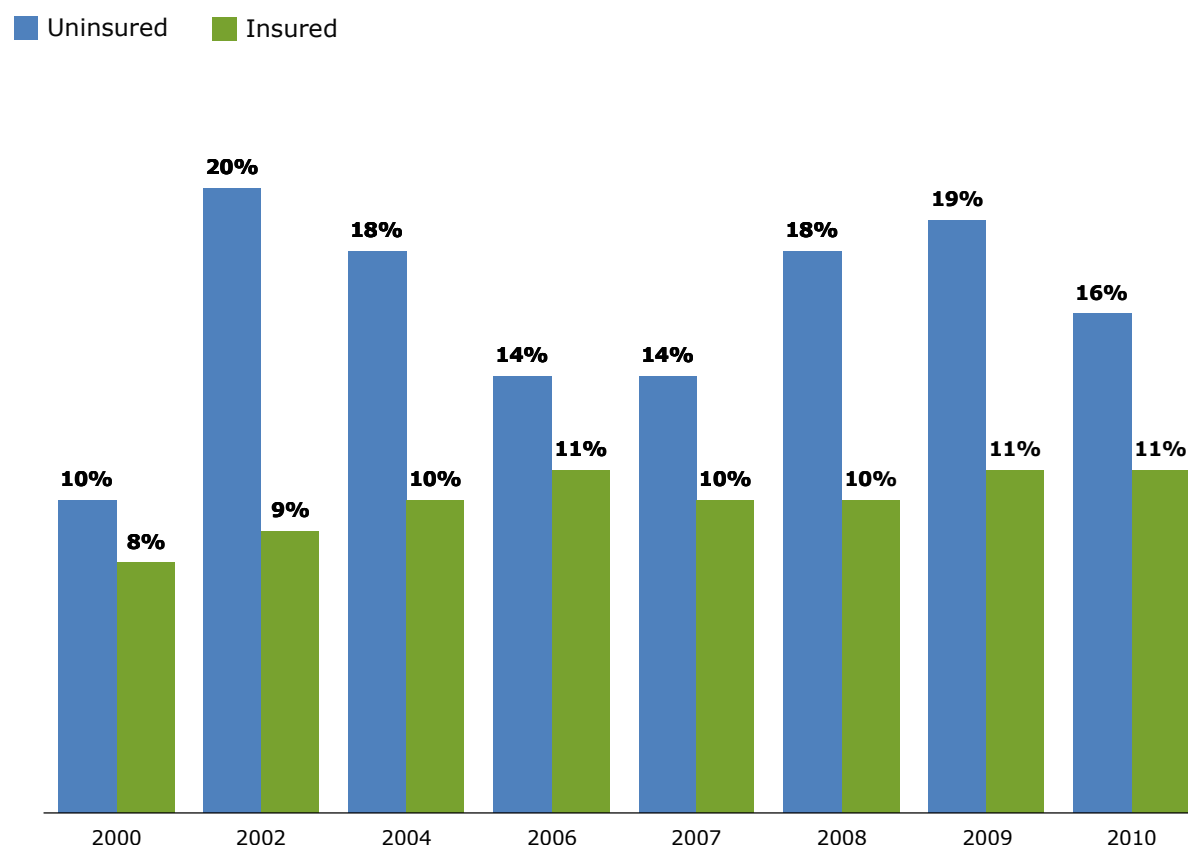
Notes: Beginning in 2008, DHCFP contracted with a new vendor for the Massachusetts household survey on health insurance. The 2008 survey had a number of methodological changes from prior year surveys which may affect comparability of the results to prior years. The differences between insured and uninsured residents are statistically significant for 2002, 2004, and 2007.

Sources: DHCFP Household Survey for 2000, 2002, 2004, 2006, and 2007. The surveys from 2000 through 2006 are conducted from February through June of the survey years. The 2007 survey was conducted from January through July of the survey year. The 2008 through 2010 data are from the Urban Institute tabulations on the Massachusetts Health Insurance Survey. For more information, please visit www.mass.gov/dhcfp. Click on "Publications and Analyses" then go to "Household Health Insurance Survey."



Adult Residents who Reported Being in Fair or Poor Health, 2000-2010

Percent of Massachusetts Residents Ages 19-64



The proportion of uninsured adults between the ages of 19 and 64 who reported fair or poor health declined from 19% in 2009 to 16% in 2010. The proportion of insured adults who reported fair or poor health remained unchanged at 11% over the same period.

DHCFP implemented a new survey methodology beginning in 2008, therefore some caution should be taken when comparing data before 2008 to data after 2008, due to methodological differences.

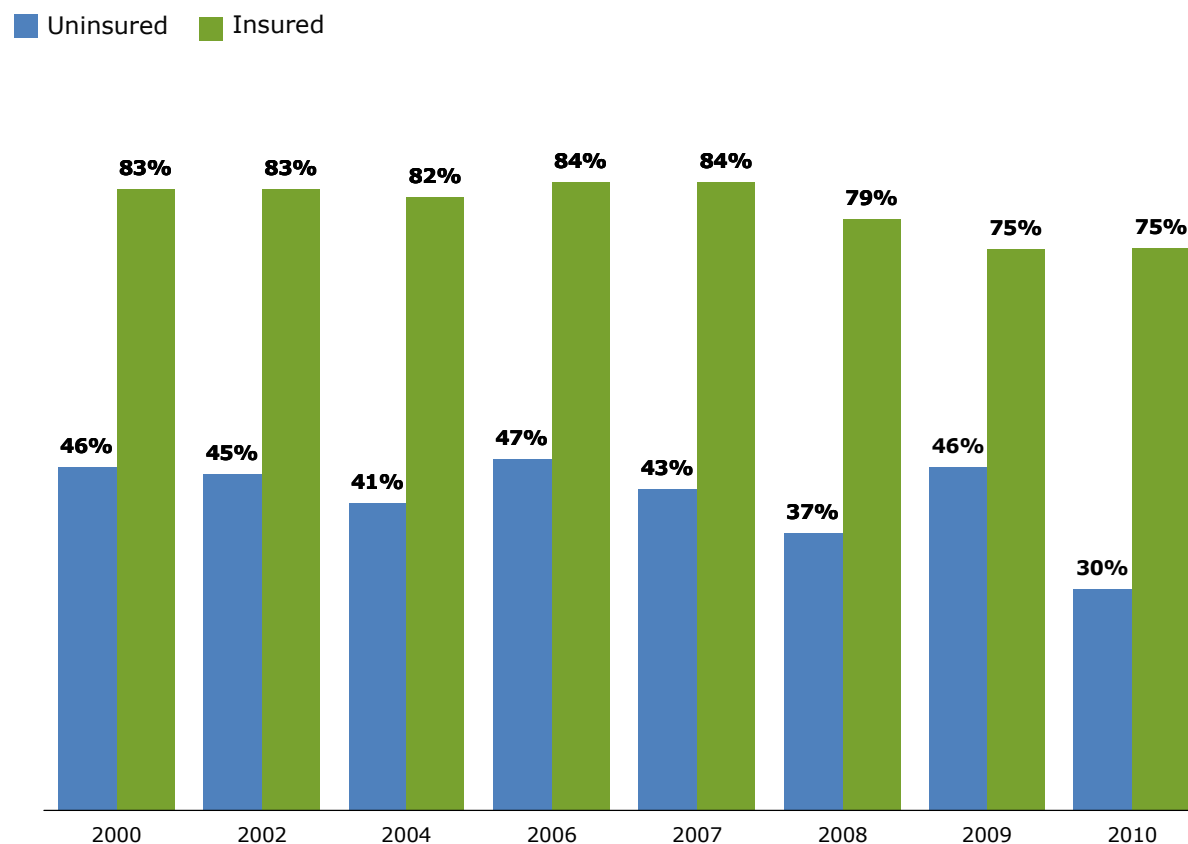
Notes: Beginning in 2008, DHCFP contracted with a new vendor for the Massachusetts household survey on health insurance. The 2008 survey had a number of methodological changes from prior year surveys which may affect comparability of the results to prior years. The differences between insured and uninsured residents are statistically significant for 2002, 2004, and 2007.

Sources: DHCFP Household Survey for 2000, 2002, 2004, 2006, and 2007. The surveys from 2000 through 2006 are conducted from February through June of the survey years. The 2007 survey was conducted from January through July of the survey year. The 2008 through 2010 data are from the Urban Institute tabulations on the Massachusetts Health Insurance Survey. For more information, please visit www.mass.gov/dhcfp. Click on "Publications and Analyses" then go to "Household Health Insurance Survey."



Adult Residents who Reported Having a Dental Visit in the Past Year, 2000-2010

Percent of Massachusetts Residents Ages 19-64



From 2009 to 2010, there was a 16 percentage point decline in the proportion of uninsured adults who reported having a dental visit in the past year (46% compared to 30%).

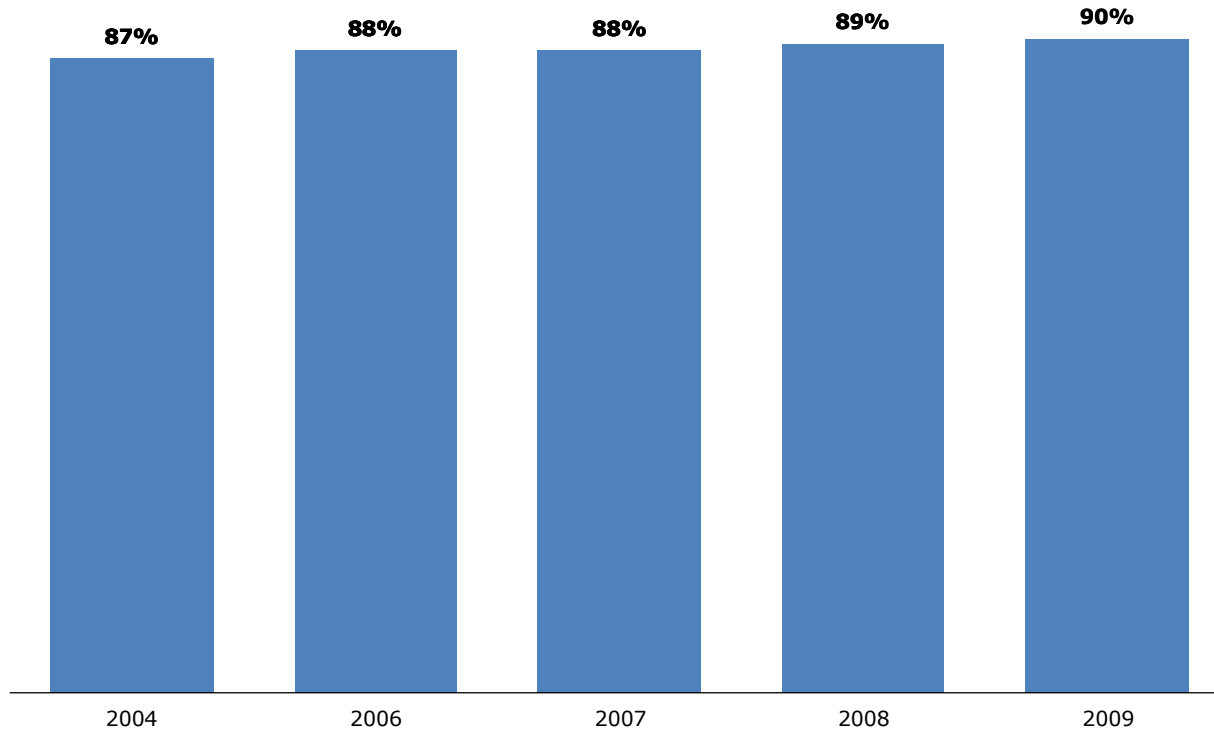
DHCFP implemented a new survey methodology beginning in 2008, therefore some caution should be taken when comparing data before 2008 to data after 2008, due to methodological differences.

Notes: Beginning in 2008, DHCFP contracted with a new vendor for the Massachusetts household survey on health insurance. The 2008 survey had a number of methodological changes from prior year surveys which may affect comparability of the results to prior years. The differences between insured and uninsured residents are statistically significant for 2002, 2004, and 2007. Sources: DHCFP Household Survey for 2000, 2002, 2004, 2006, and 2007. The surveys from 2000 through 2006 are conducted from February through June of the survey years. The 2007 survey was conducted from January through July of the survey year. The 2008 through 2010 data are from the Urban Institute tabulations on the Massachusetts Health Insurance Survey. For more information, please visit www.mass.gov/dhcfp. Click on "Publications and Analyses" then go to "Household Health Insurance Survey."



Adult Residents who Have a Personal Health Care Provider, 2004-2009

Percent of Massachusetts Residents Ages 18 and over



Since 2004, there has been a slight increase in Massachusetts adults aged 18 and over who report having a personal health care provider (or a primary care doctor).

In 2009 the proportion of black, Hispanic, and Asian adults with a personal health care provider ranged from 82% to 84% compared to 91% of White adults.

Percent of adults ages 18+ by race/ethnicity (95% confidence interval):

| | 2004 | 2006 | 2007 | 2008 | 2009 |
|----------|---------------|---------------|---------------|---------------|---------------|
| White | 89% (87%-90%) | 89% (88%-90%) | 90% (90%-91%) | 90% (89%-91%) | 91% (90%-92%) |
| Black | 90% (85%-94%) | 89% (85%-92%) | 84% (80%-87%) | 83% (78%-88%) | 84% (80%-88%) |
| Hispanic | 75% (71%-79%) | 75% (71%-79%) | 76% (72%-80%) | 80% (77%-83%) | 82% (78%-85%) |
| Asian | 88% (84%-93%) | 83% (76%-90%) | 86% (82%-91%) | 84% (78%-90%) | 84% (76%-92%) |

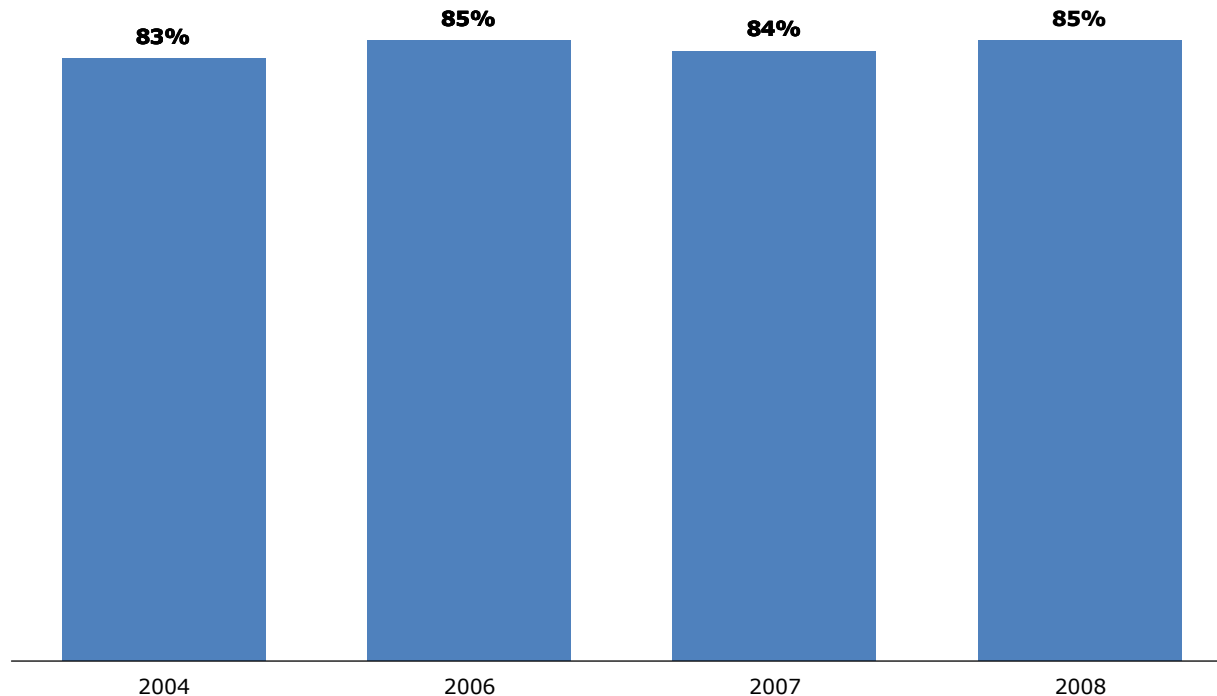
Note: Percentages are age adjusted to 2000 US population to control for difference in age distributions among race groups.

Source: Behavioral Risk Factor Surveillance System (BRFSS) for 2004, 2006, 2007, 2008 and 2009; Massachusetts Department of Public Health (DPH), Health Survey Program, Bureau of Health Statistics. The BRFSS is an annual survey conducted throughout the year.



Adult Female Residents with a Mammogram in the Past Two Years, 2004-2008

Percent of Massachusetts Women Ages 40+



Percent of women ages 40+ by race/ethnicity (95% confidence interval):

| | 2004 | 2006 | 2007 | 2008 |
|----------|-------------------|-------------------|-------------------|---------------|
| White | 82% (81%-84%) | 85% (84%-87%) | 84% (82%-86%) | 85% (84%-86%) |
| Black | 80% (64%-95%) | 80% (71%-89%) | 84% (75%-93%) | 87% (82%-91%) |
| Hispanic | 88% (82%-93%) | 87% (82%-92%) | 80% (69%-91%) | 89% (85%-92%) |
| Asian | Insufficient Data | Insufficient Data | Insufficient Data | 86% (77%-95%) |

Note: The 2009 BRFSS survey did not measure the proportion of respondents who had a mammogram screening within the past 2 years. For this metric data from the 2008 survey is the most current available information. Percentages are not age-adjusted and data presented for 2004 – 2007 will not match previous editions of *Key Indicators*.

Source: Behavioral Risk Factor Surveillance System (BRFSS) for 2004, 2006, 2007 and 2008; Massachusetts Department of Public Health (DPH), Health Survey Program, Bureau of Health Statistics. The BRFSS is an annual survey conducted throughout the year.

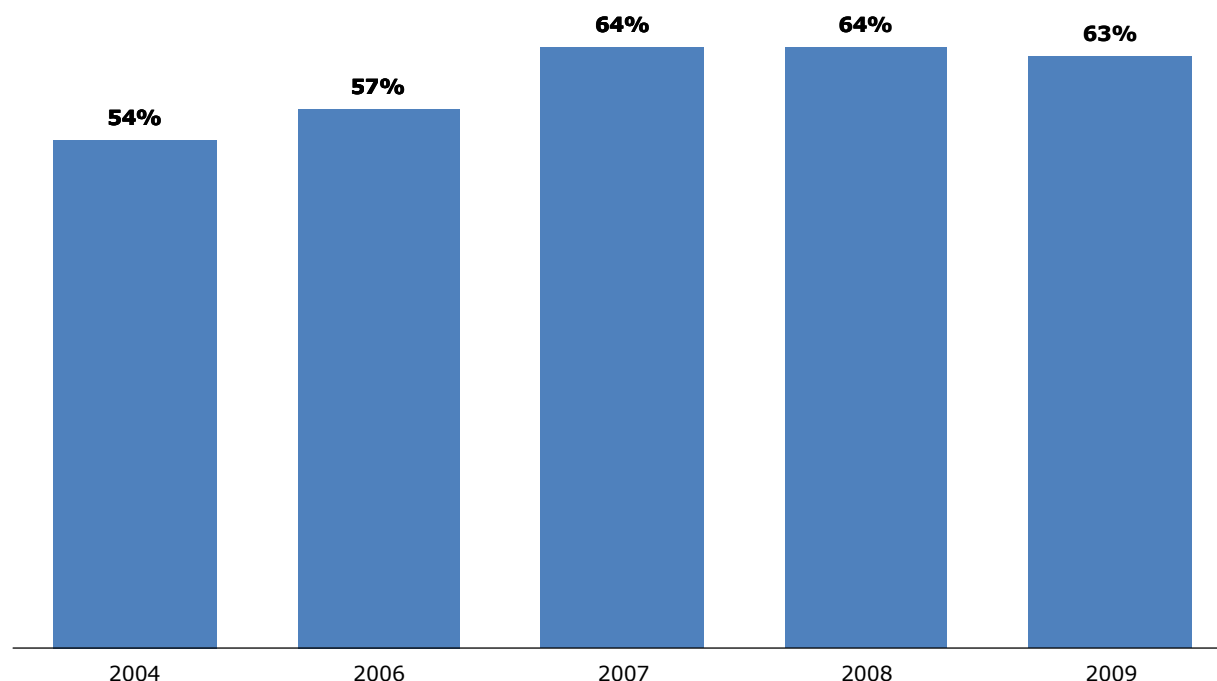
Most Massachusetts female residents ages 40 and older reported having a mammogram to screen for breast cancer in the last two years.

In 2008, the most recent year with available data, there was not a significant difference among racial groups for women who reported having had a mammogram.



Adult Residents with a Sigmoidoscopy or Colonoscopy in the Past 5 Years, 2004-2009

Percent of Massachusetts Residents Ages 50+



Percent of adults ages 50+ by race/ethnicity (95% confidence interval):

| | 2004 | 2006 | 2007 | 2008 | 2009 |
|----------|-------------------|-------------------|-------------------|---------------|-------------------|
| White | 55% (52%-57%) | 58% (56%-60%) | 64% (62%-67%) | 64% (63%-66%) | 63% (61%-66%) |
| Black | 54% (41%-66%) | 60% (51%-69%) | 74% (62%-85%) | 60% (52%-67%) | 85% (77%-92%) |
| Hispanic | 51% (41%-61%) | 49% (40%-58%) | 56% (43%-70%) | 57% (50%-63%) | 56% (43%-69%) |
| Asian | Insufficient Data | Insufficient Data | Insufficient Data | 56% (39%-72%) | Insufficient Data |

In 2009, nearly two-thirds of Massachusetts residents aged 50 and over indicated they've had a sigmoidoscopy or colonoscopy in the past five years.

Sigmoidoscopy is a medical examination of the large intestine to screen for colorectal cancer. Colonoscopy is a test that examines the colon, and is intended to screen for colon cancer.

Compared to previous years, the estimate for 2009 is based on a smaller sample size due to a change in survey design. This produces higher variability in estimates, especially for minorities. Data, therefore, may not be indicative of an upward trend for Blacks. Caution should be exercised when interpreting data as more data and years of observation may be needed to make inferences about this group.

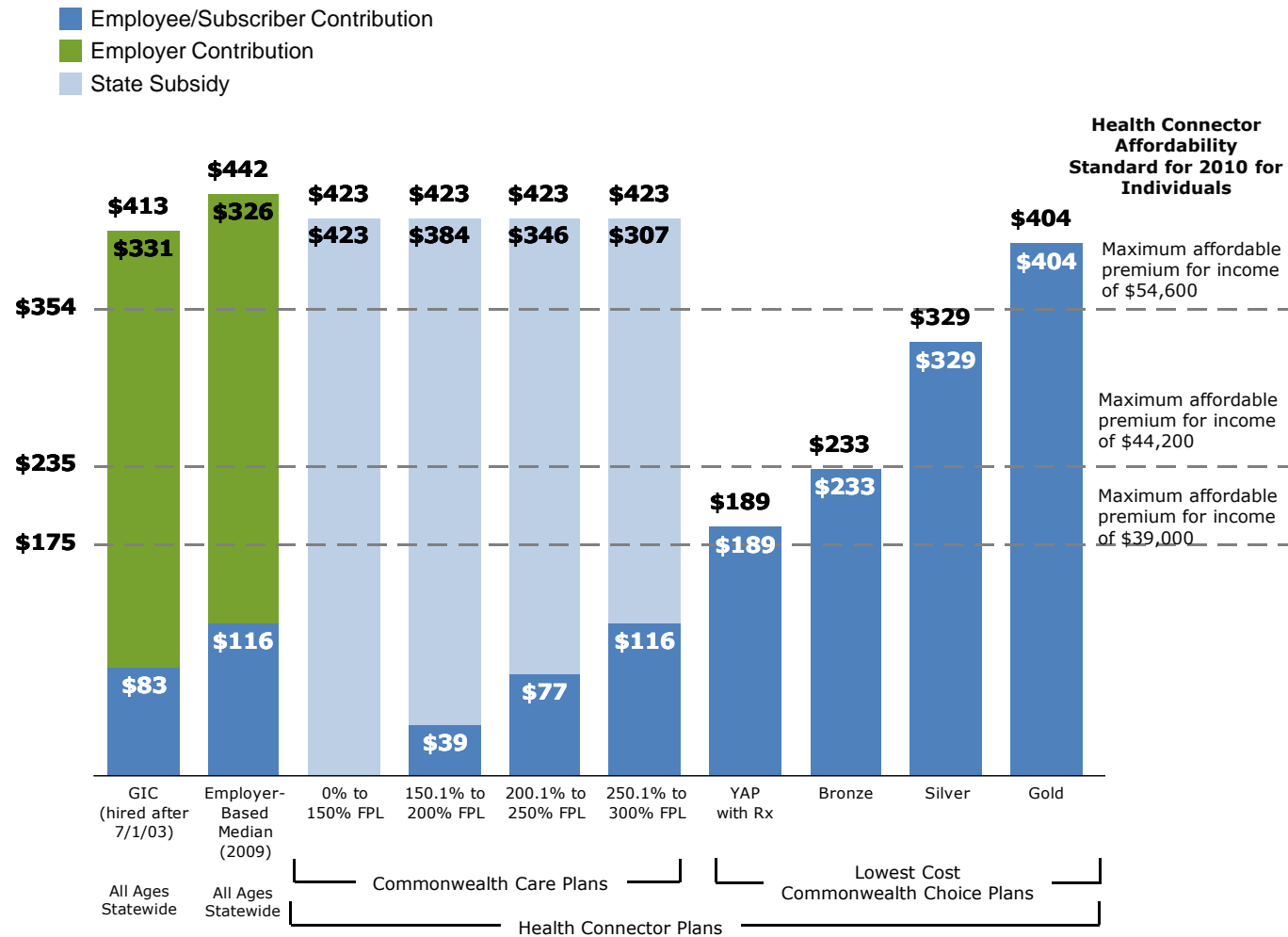
Note: Percentages are not age-adjusted and data presented for 2004 – 2007 will not match previous editions of *Key Indicators*.

Source: Behavioral Risk Factor Surveillance System (BRFSS) for 2004, 2006, 2007, 2008, and 2009; Massachusetts Department of Public Health (DPH), Health Survey Program, Bureau of Health Statistics. The BRFSS is an annual survey conducted throughout the year.



Monthly Cost of Health Insurance in Massachusetts

Employer and Health Connector Plans for Individuals



Subscriber contributions to Commonwealth Care plans is comparable to the median employee contribution for employer-based coverage as estimated in the 2010 Massachusetts Employer Survey (MES).

All Commonwealth Choice products compare favorably to the median total cost of employer-based insurance.

Employer-based premiums, Commonwealth Choice plan, GIC premiums, and Commonwealth Care plan premiums were compared to the affordability schedule that was established by the Health Connector effective for the calendar year 2010. For more details, please visit: www.MAhealthconnector.org.

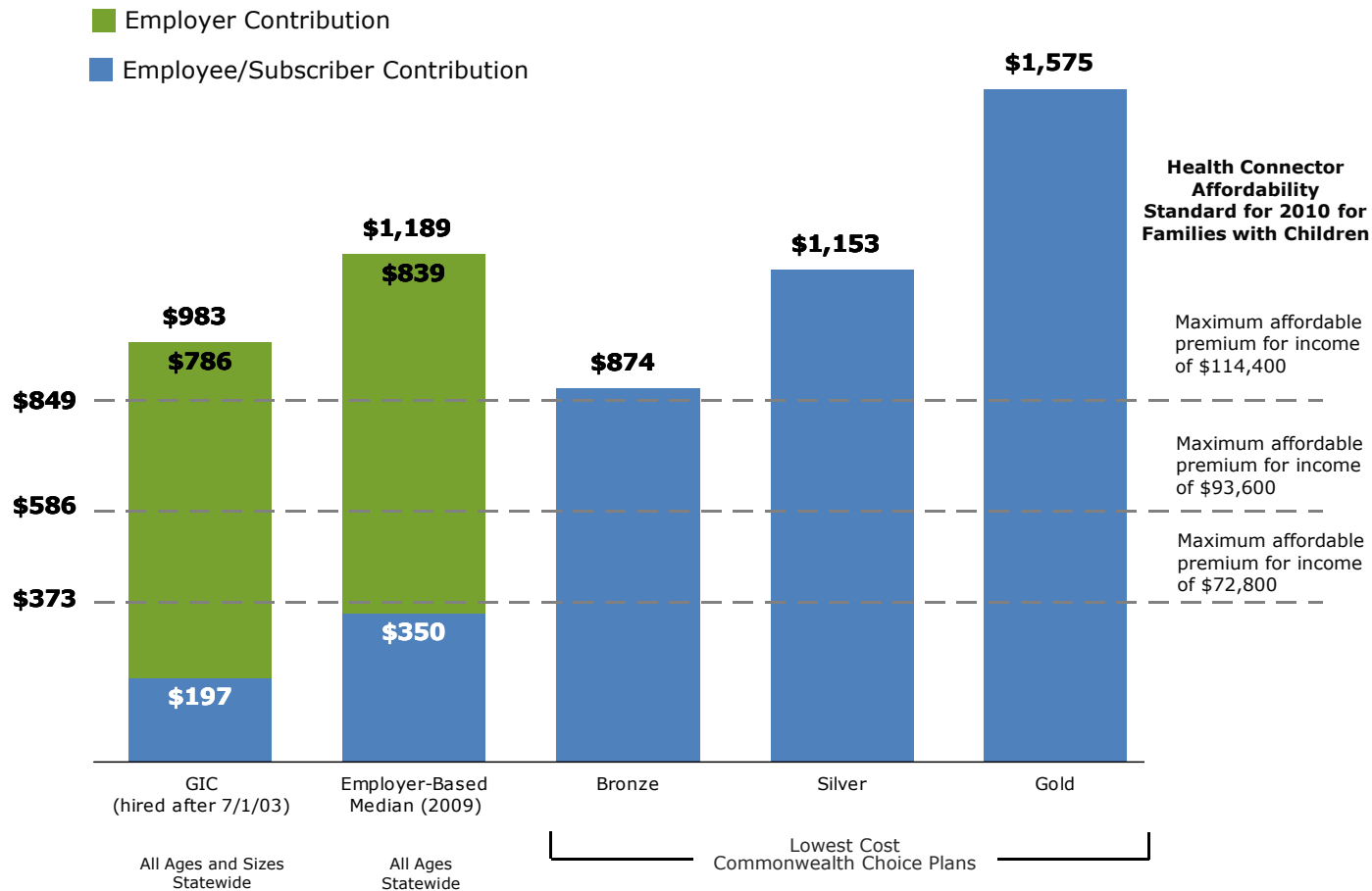
Notes: The calculation of median premiums for private, employer-based insurance does not include premiums paid by government employees. Commonwealth Care premiums reflect average composite FY2011 capitation rates for the total Commonwealth Care population. There is variation in actual capitation amounts across plan types and managed care organizations based on member demographics. The premium for Commonwealth Choice YAP with Rx plan was calculated for a 25-year-old individual living in Boston. Premiums for Commonwealth Choice Bronze, Silver, and Gold are the lowest priced plans available for a 35-year-old individual living in Boston (in the zip code 02111). The premium for a YAP with a Rx plan is for a 25-year old living in Boston (in the zip code 02111). All Bronze, Silver and Gold plans include Rx. Data are rounded to the nearest whole dollar.

Sources: 2010-2011 GIC Benefit Decision Guide; 2009 DHCIP Employer Survey; Health Connector Affordability Schedule for 2010; Health Connector for Commonwealth Choice plan premiums as of March 2011 and Commonwealth Care premiums as of February 1, 2010.



Monthly Cost of Health Insurance in Massachusetts

Employer and Health Connector Plans for Families



The total cost of health insurance for a Commonwealth Choice Silver family plan is comparable to the average total cost of health insurance for an employer-based family health plan.

Commonwealth Choice plan premiums and GIC premiums were compared to the affordability schedule that was established by the Health Connector effective for the calendar year 2010. For more details, please visit: www.MAhealthconnector.org.

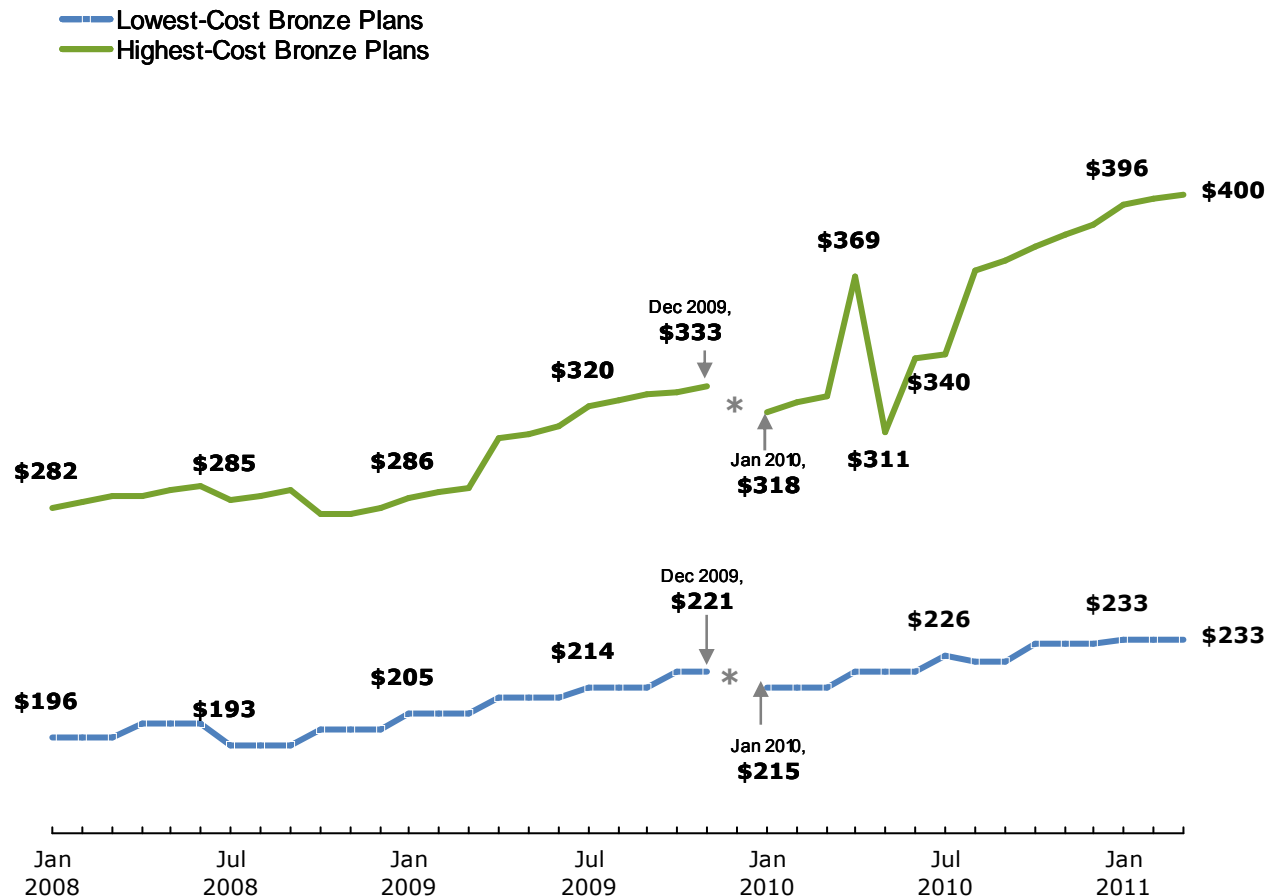
Notes: Commonwealth Care plans provide coverage for adult individuals only and, therefore, do not have family plans. The calculation of median premiums for private employer-based insurance does not include premiums paid by government employees. Premiums for Commonwealth Choice Bronze, Silver, and Gold plans are the lowest price for a family of four with two 35-year-old parents and two children living in Boston (in the zip code 02111). All Bronze, Silver and Gold plans include Rx. Data are rounded to the nearest whole dollar.

Sources: 2010-2011 GIC Benefit Decision Guide; 2009 DHCFF Employer Survey; Health Connector Affordability Schedule for 2010; Health Connector for Commonwealth Choice plan premiums as of March 2011.



Commonwealth Choice Bronze Premiums, 2008-2011

Highest and Lowest-Cost Plans (with Rx coverage)



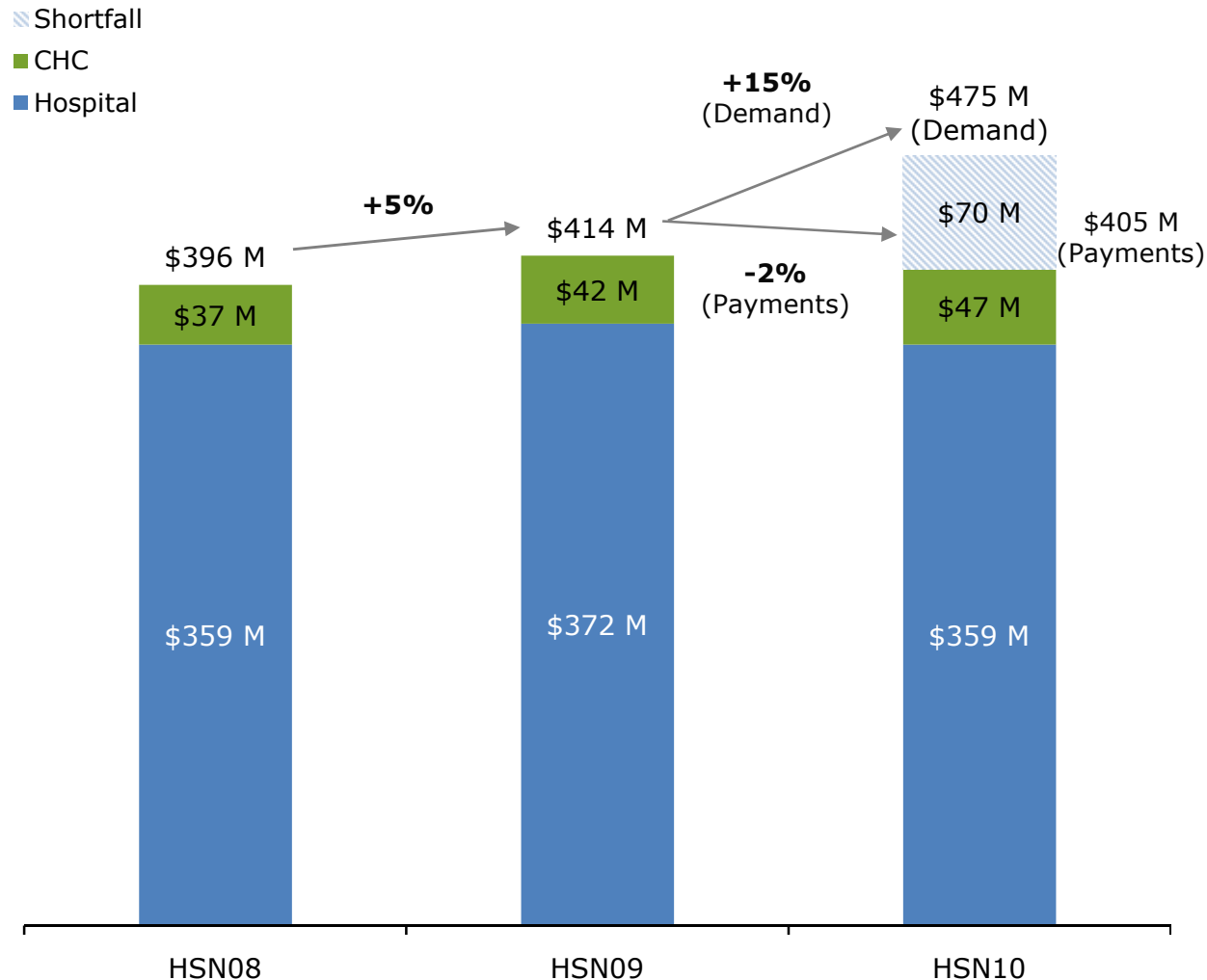
Premiums for the lowest-cost Commonwealth Choice Bronze plans have increased only slightly since January 2010. Premiums for the highest-cost Bronze Plans have varied since January 2010.

***Beginning in January 2010,** premiums for Commonwealth Choice plan benefit packages changed to create three tiers within Bronze. Reported here are the highest and lowest-cost for the Bronze Low Tier.

Notes: Premiums are for a 35-year-old individual living in Boston (in the zip code 02111). As of January 2008, Bronze products are no longer offered without Rx coverage. Monthly premium costs are selected from the highest- and lowest-priced products in the given month therefore trend lines do not track the same product from the same carrier over time. Premiums effective January 2010 and after represent significantly different health benefits packages and may not be comparable to data reported on periods preceding this date. Beginning January 2010, Bronze plans are offered in three tiers; lowest and highest premiums shown are selected from the Bronze Low Tier. Prior to January 2010, lowest and highest premiums represent the lowest and highest in the single Bronze category.
 Source: Health Connector



Health Safety Net Total Demand and Payment Trends, 2008-2010



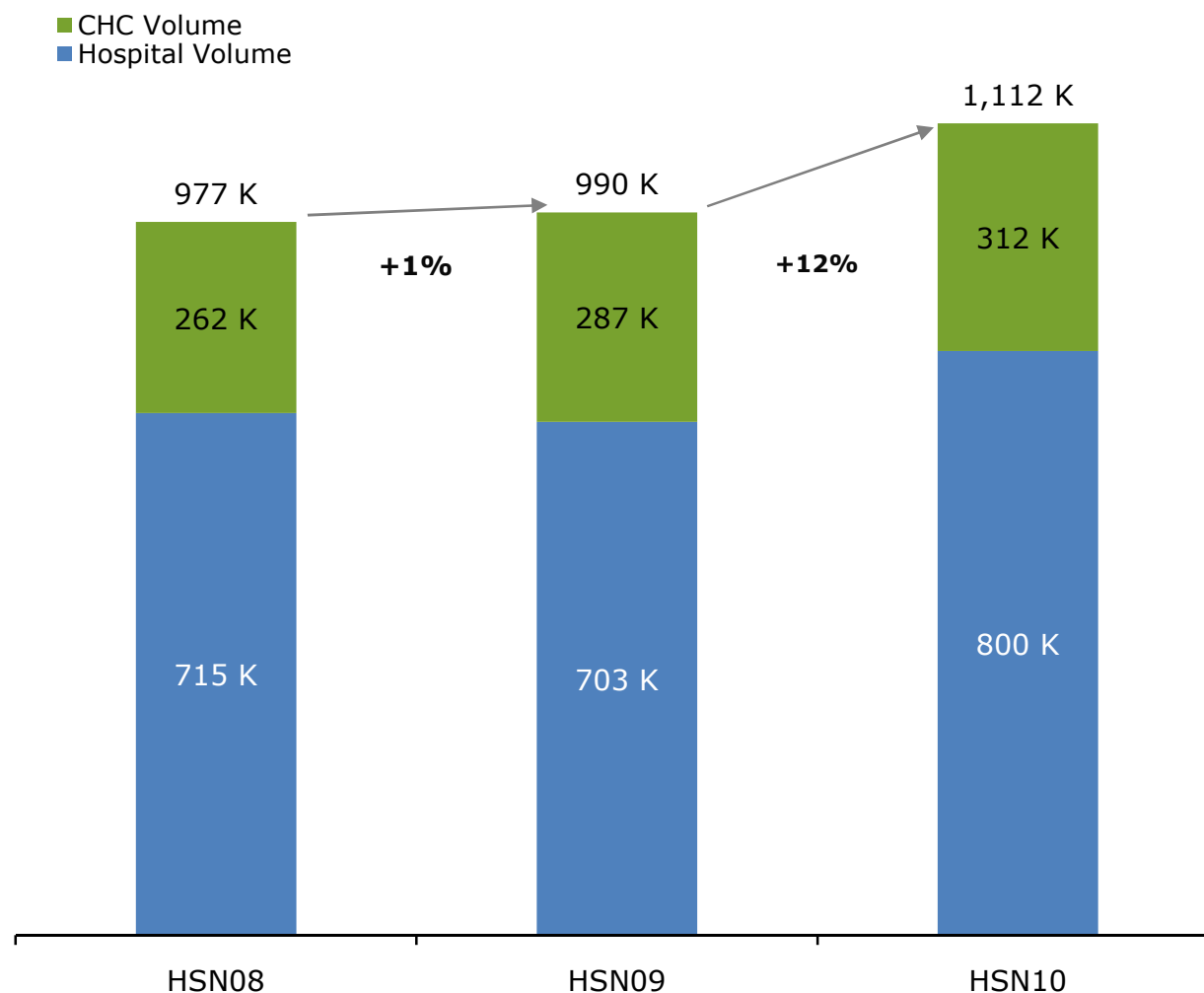
Total Health Safety Net (HSN) payments declined by 2% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year, while demand increased by 15%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall. Because HSN10 demand exceeded HSN10 funding, hospital providers experienced a \$70 million shortfall during HSN10.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center payments are reported in the month in which payment was made. Previously reported HSN08 payments were projected and have been updated. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.
Source: DHC FP Health Safety Net Data Warehouse as of 10/25/10. For further information on the Health Safety Net Report visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Health Safety Net Total Service Volume Trends, 2008-2010



Health Safety Net (HSN) total volume for hospitals and community health centers increased 12% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year.

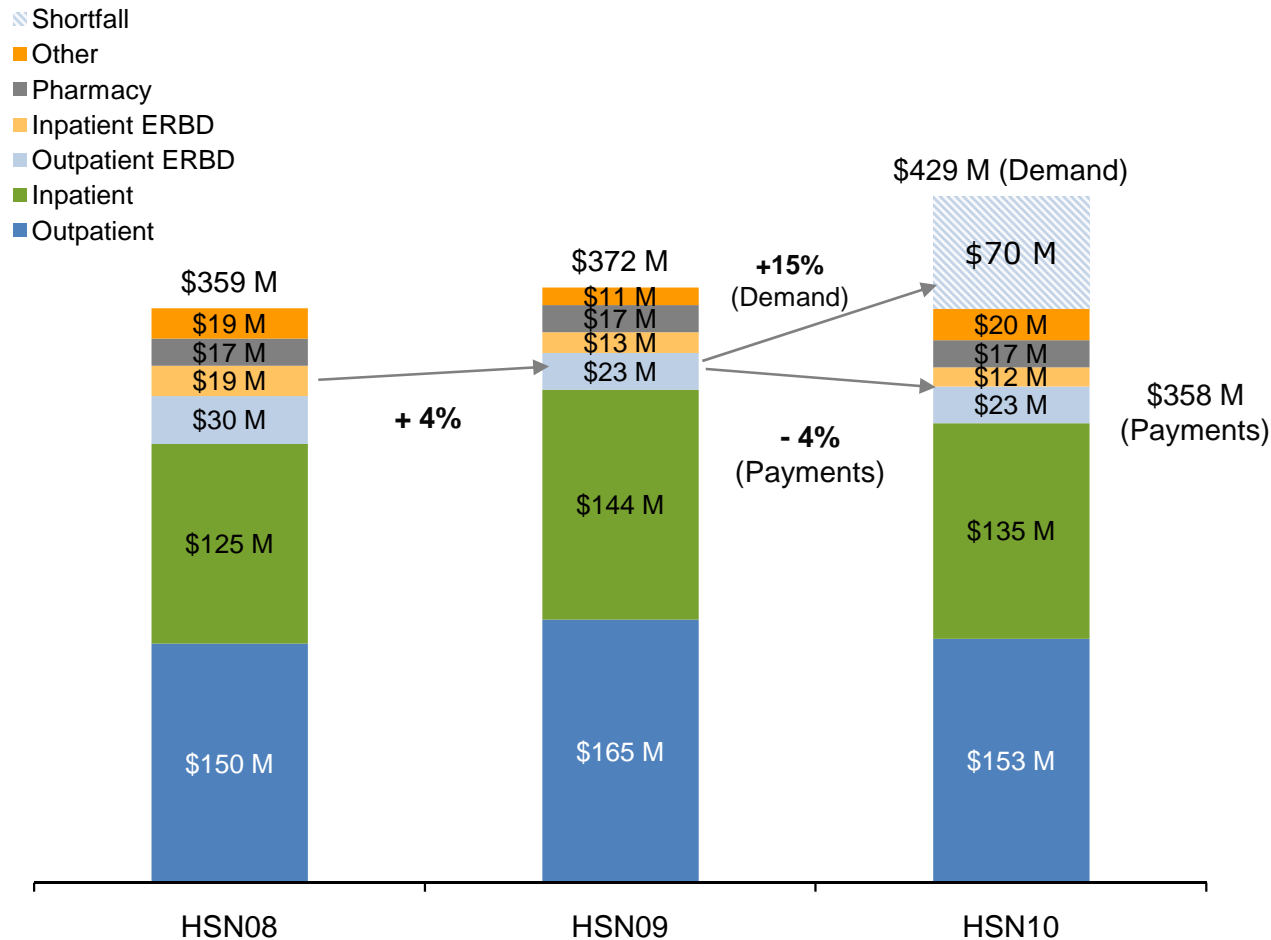
Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the years shown. Community health center volume is the sum of visits for which payments were made to community health center providers in the years shown.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center volume exclude pharmacy claims. HSN08 CHC volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 hospital and CHC volume reflects updated hospital and CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.

Source: DHCFP Health Safety Net Data Warehouse as of 10/25/10. For further information on the Health Safety Net Report visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Health Safety Net Hospital Demand and Payment Trends, 2008-2010



Hospital payments declined by 4% in Health Safety net fiscal year 2010 (HSN10) compared to the prior year, while hospital demand increased by 15%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Other HSN Payments include adjustments that are not attributable to a service category. Hospital payments are reported in the month in which payment was made. The HSN10 shortfall allocation is distributed proportionally by service type. Previously reported HSN08 payments were projected and have been updated. HSN09 payments differ from data previously published due to a technical change made to the methodology used to determine the payment amount attributable to each service category. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

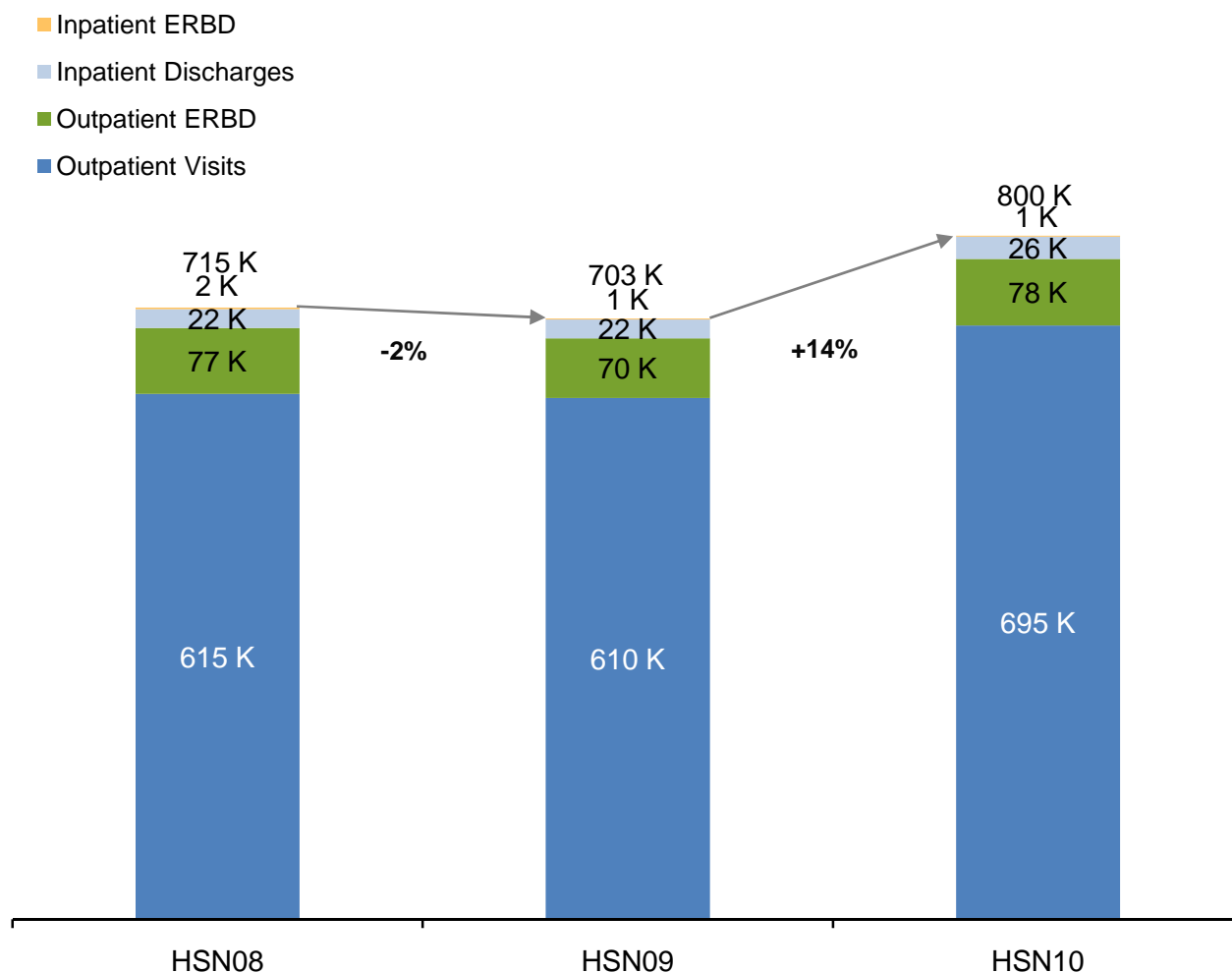
Source: DHCFP Health Safety Net Data Warehouse as of 10/25/10. For further information on the Health Safety Net Report visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Health Safety Net Hospital Service Volume Trends, 2008-2010

Hospital volume increased by 14% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year.

During HSN10, total inpatient volume increased 17% and total outpatient volume increased 14% compared to the prior year.

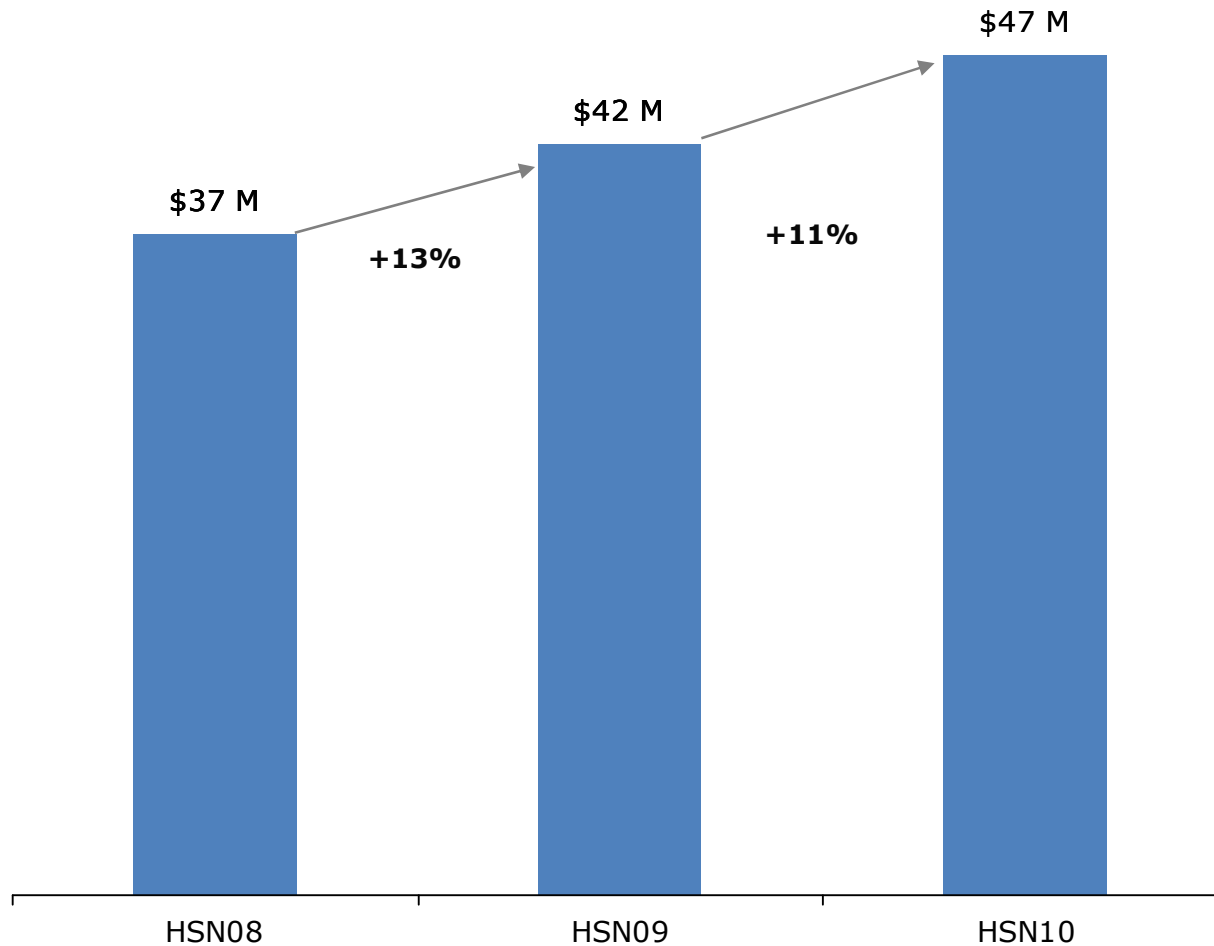


Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. HSN09 volume reflects updated hospital claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.

Source: DHCFP Health Safety Net Data Warehouse as of 10/19/10. For further information on the Health Safety Net Report visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Health Safety Net Community Health Center Payment Trends, 2008-2010



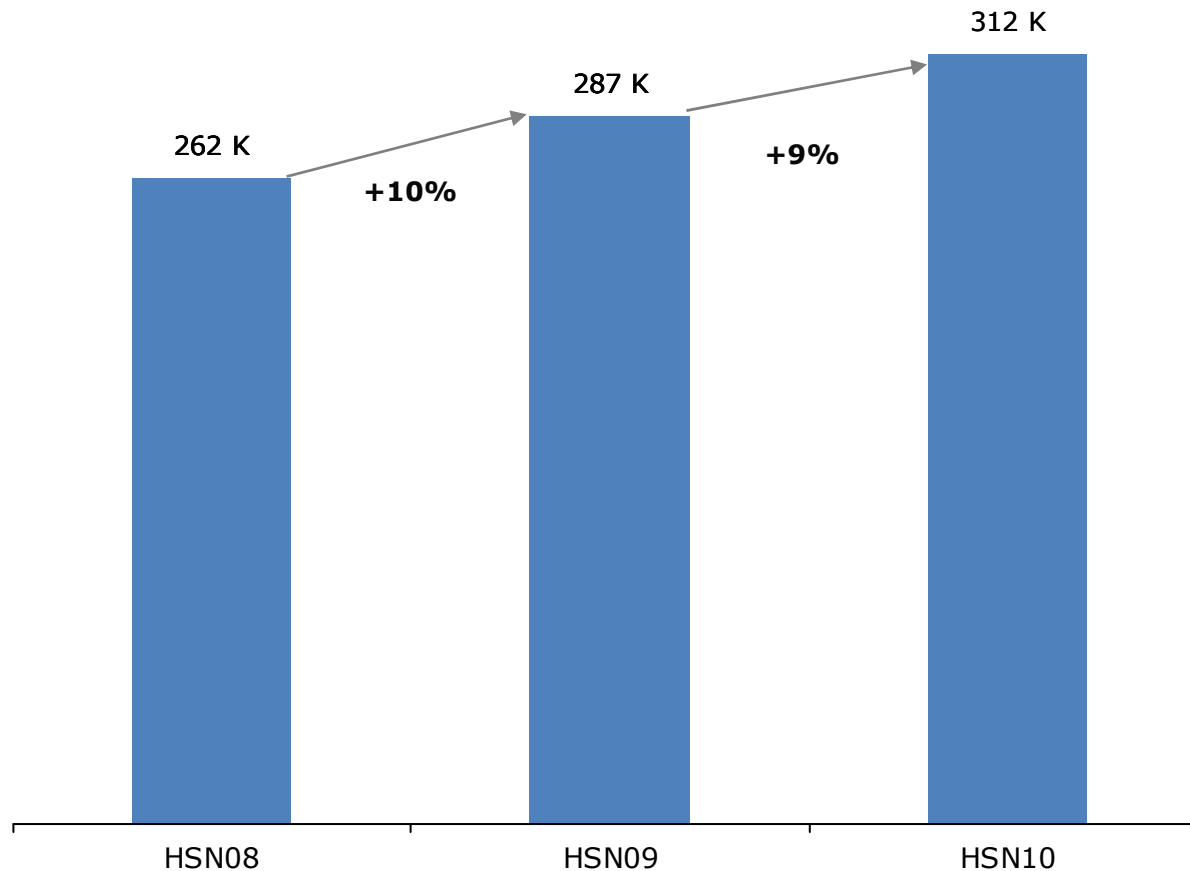
Community health center (CHC) payments increased by 11% in HSN10 compared to the prior year.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center payments are reported in the month in which payment was made. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

Source: DHCFP Health Safety Net Data Warehouse as of 10/25/10. For further information on the Health Safety Net Report visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



HSN Community Health Center Service Volume Trends, 2008-2010



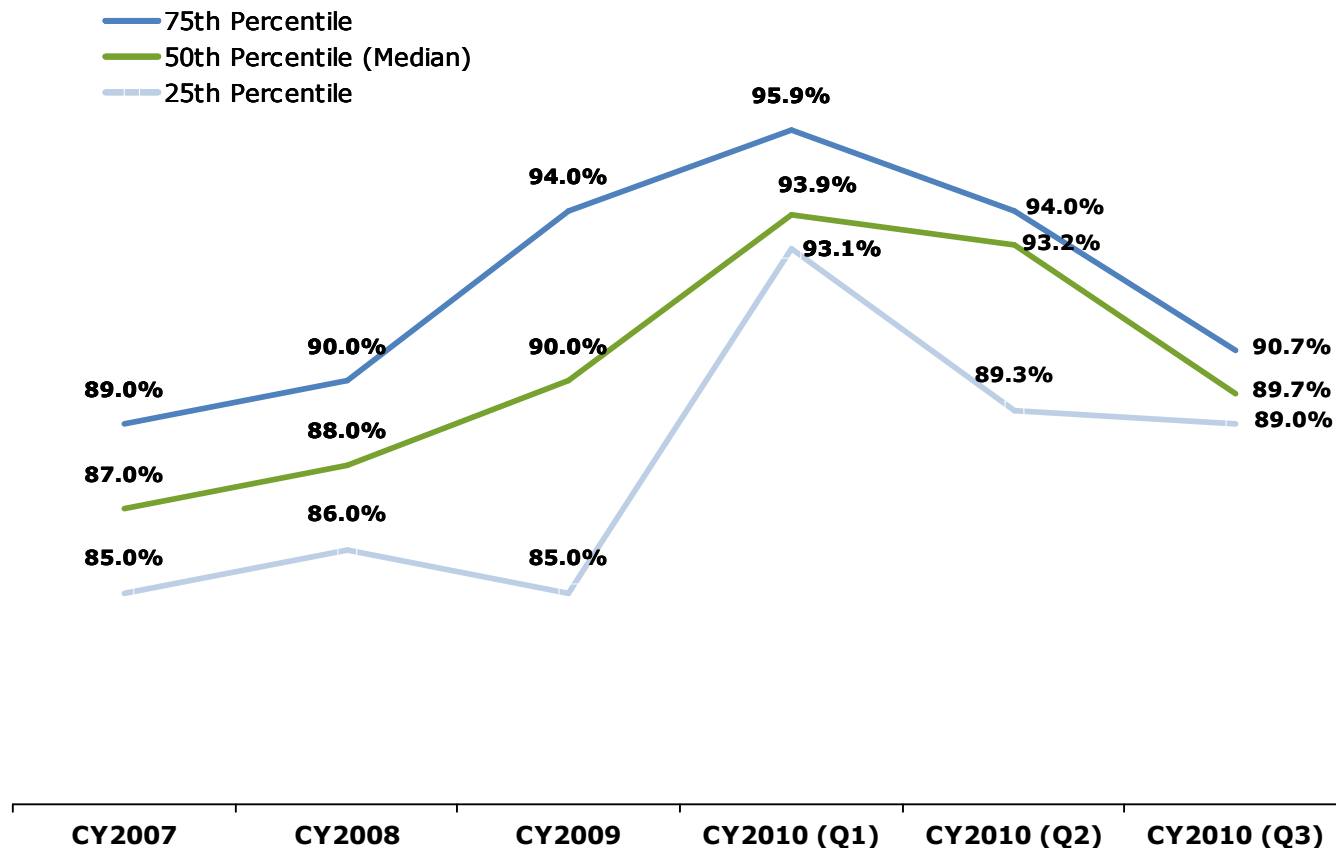
Community health center (CHC) volume increased 9% in HSN10 compared to the prior year.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center volume is the sum of visits for which payments were made to community health center providers in the years shown. Community health center volume excludes pharmacy claims. CHCs have been moving from a voucher-based to a claims-based adjudication and payment system since April 2009; this transition may result in shifts in volume that is expected to stabilize once all CHCs have transitioned to the new system. HSN08 volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 volume reflects updated CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.

Source: DHCFP Health Safety Net Data Warehouse as of 10/25/10. For further information on the Health Safety Net Q1 Report visit www.mass.gov/dhcfp and follow the "Publications and Analyses" link.



Trends in Medical Expense Ratio for Massachusetts Health Plans, 2007-2010



On average, the proportion of total health care related revenue spent by health plans on medical services received by members declined by 4.5 percentage points between the first and third quarters of 2010 (93.9% v 89.7%)*.

*Quarterly results may not be indicative of year-end trends.

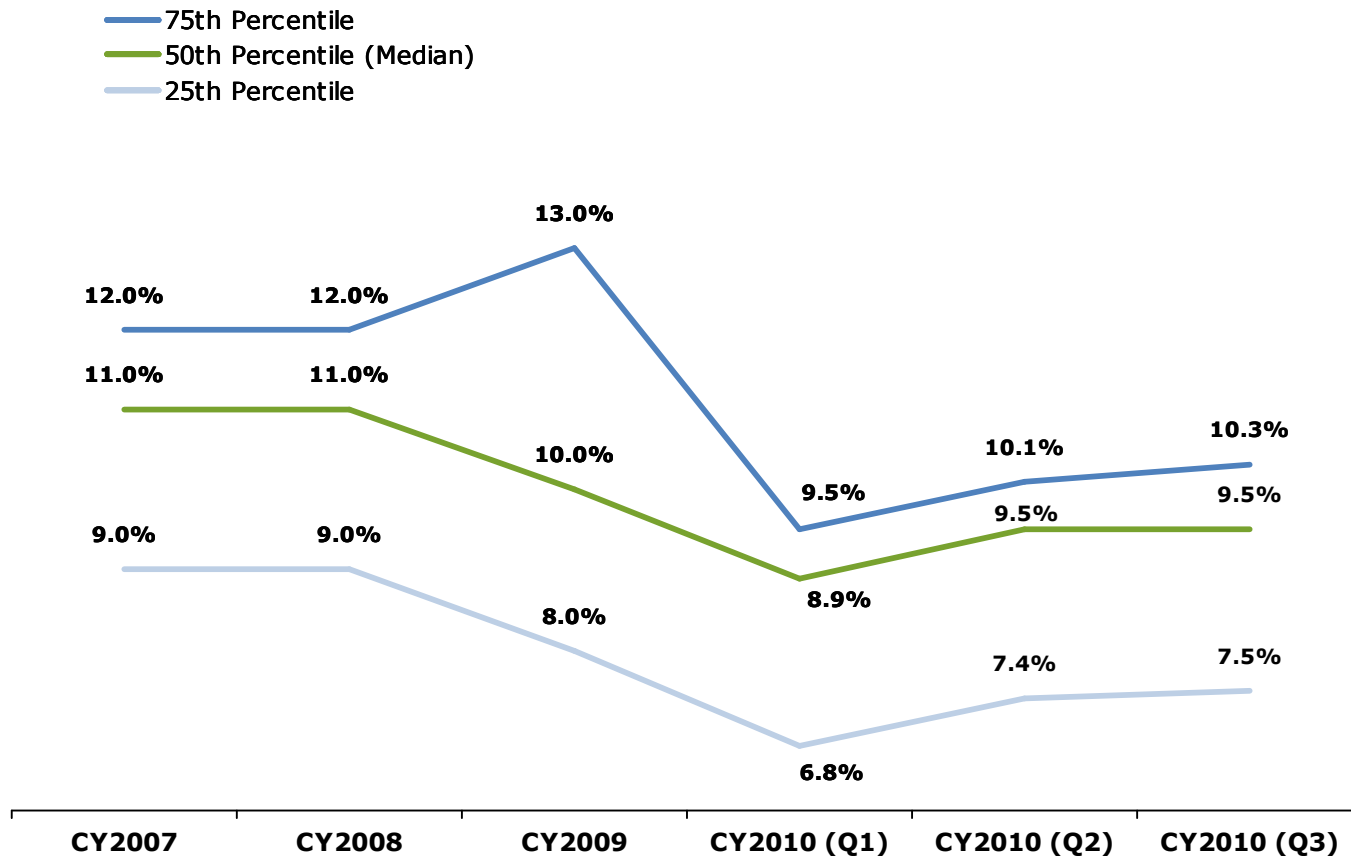
Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 90% means that one half of all health plans for whom data are reported had a medical expense ratio of less than 90% and one-half had a ratio above 90%.

Notes: Medical expense ratio is calculated by dividing the total hospital and medical expenses by revenue. In accordance with NAIC reporting standards, revenue here includes premium income and aggregate write-ins for other health care related revenues. It does not include write-ins for non-health revenues or investment income. Information is self-reported by plans to the Massachusetts Division of Insurance (DOI) and represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations (HMOs) licensed with DOI or under contract with MassHealth. HMOs registered with DOI but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeltiCare is a health plan that began providing coverage for Massachusetts residents in October 2009. Licensing of CeltiCare increased the number of plans for whom financial data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeltiCare are not included in this analysis. As health plan expenses may change over time, it is likely for a plan to move across percentiles from one period to the next. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue.

Sources: DOI annual financial statements as self-reported by carriers.



Trends in Administrative Expense Ratio for Massachusetts Health plans, 2007-2010



Health plans reported an increase in the proportion of total health care related revenue that went towards plan administration between the first and third quarters of 2010. Overall, administrative expense ratios have declined since 2007.*

*Quarterly results may not be indicative of year-end trends.

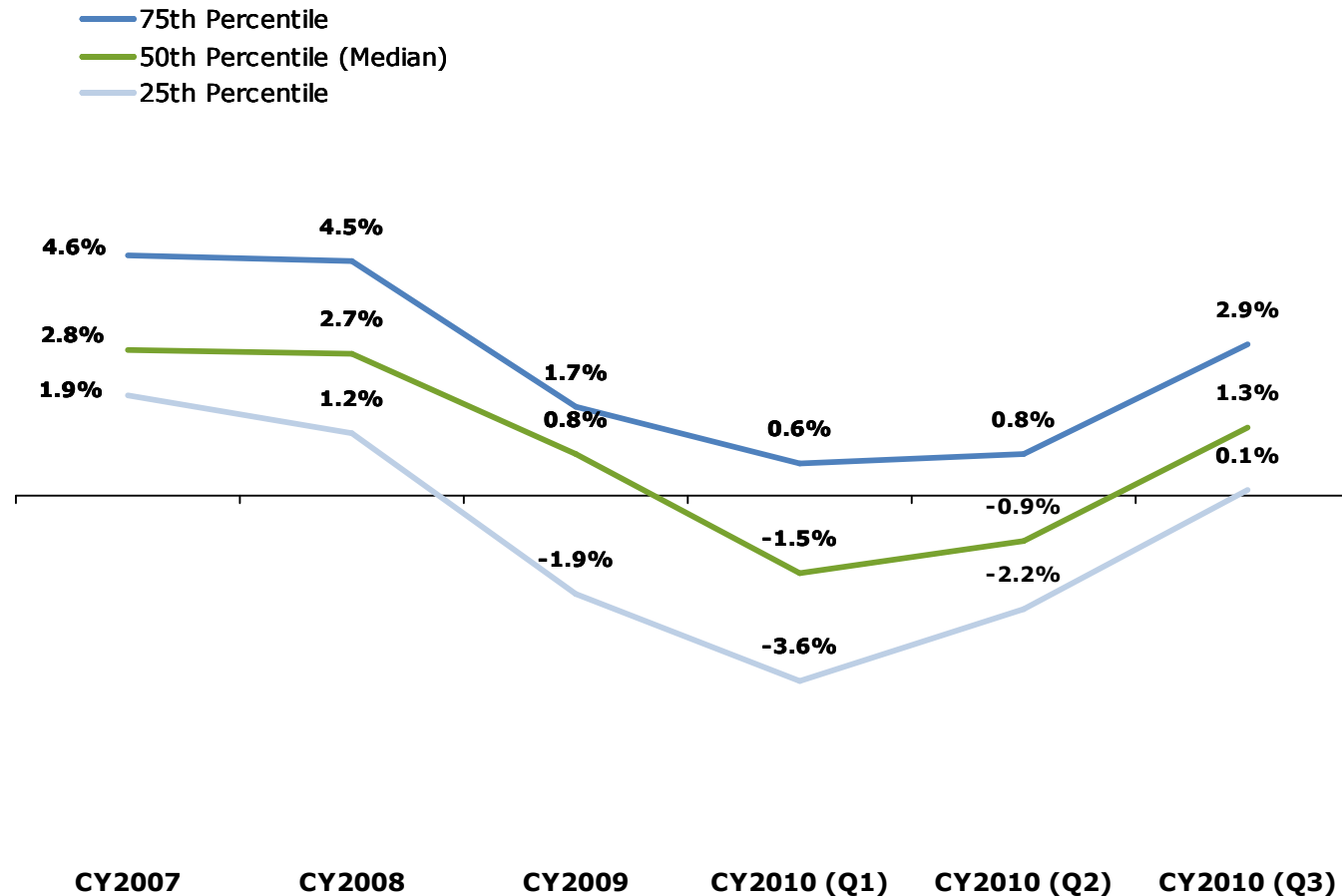
Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 10% means that one half of all health plans for whom data are reported had an administrative expense ratio of less than 10% and one-half had a ratio above 10%.

Notes: Administrative expense ratio is calculated by dividing the total administrative expenses (including claims adjustment and general administrative expenses) by revenue. In accordance with NAIC reporting standards, revenue here includes premium income and aggregate write-ins for other health care related revenues. It does not include write-ins for non-health revenues or investment income. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations licensed with DOI or under contract with MassHealth. HMOs registered with DOI but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeltiCare is a plan that began providing coverage for Massachusetts residents in October 2009. Licensing of CeltiCare increased the number of health plans for whom data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeltiCare are not included in this analysis. As plan expenses may change over time, it is possible for a health plan to move across percentiles from one period to the next. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue.

Sources: DOI annual financial statements.



Trends in Profit Margin for Massachusetts Health Plans, 2007-2010



Profit margin reflects resources available to health plans after paying medical claims and administrative costs for the year. Health plan profit margins improved between the first (Q1) and third (Q3) quarters of 2010, with the overall average margin increasing from -1.5% in Q1 2010 to 1.3% during Q3 2010.*

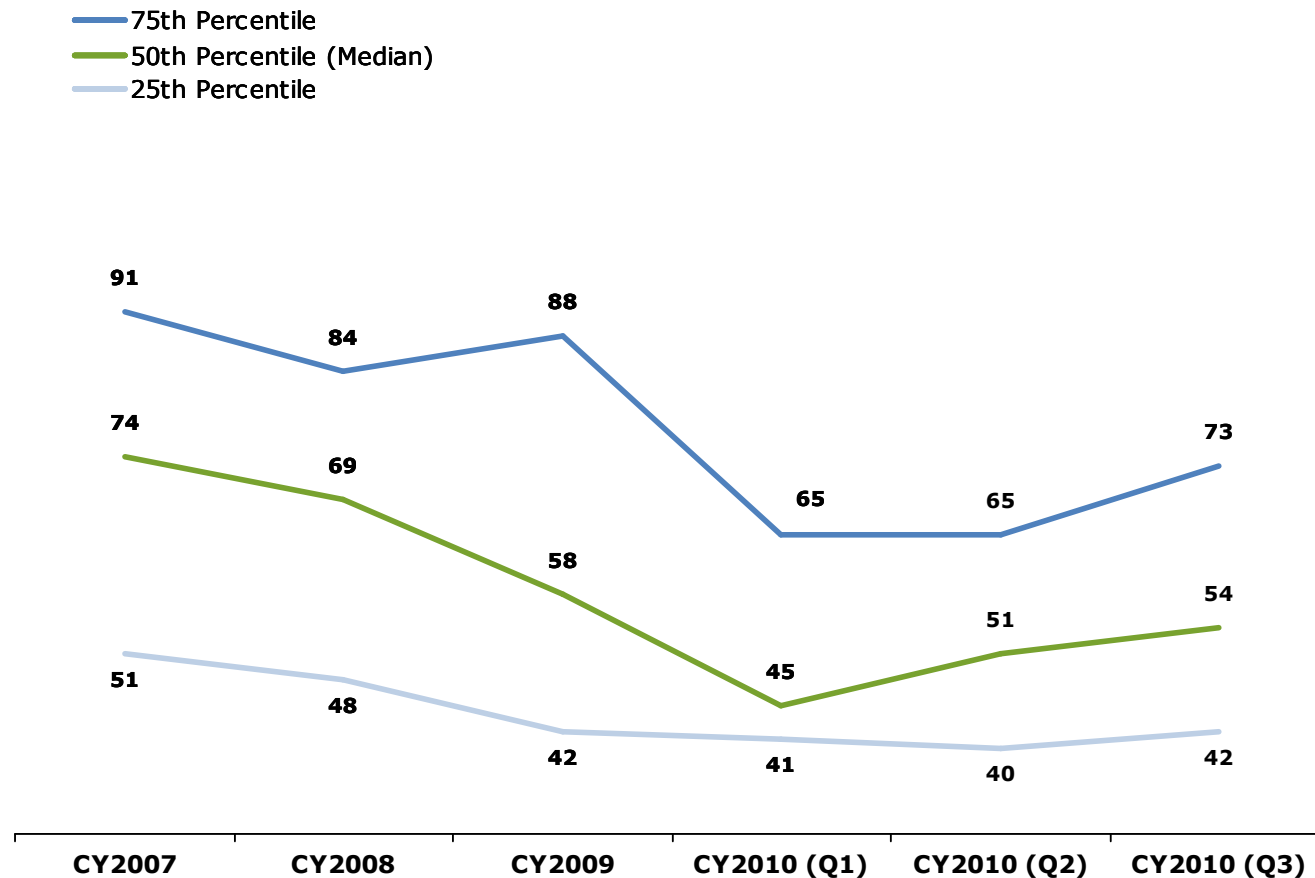
*Quarterly results may not be indicative of year-end trends.

Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 0.8% means that one half of all health plans for whom data are reported had a profit margin ratio of less than 0.8% and one-half had a ratio above 0.8%.

Notes: Profit margin is calculated by dividing net income by total revenue. Total revenue here includes premium income, aggregate write-ins for other health care related revenues, and investment gain/loss. It does not include write-ins for non-health revenues. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations licensed with DOI or under contract with MassHealth. HMOs registered with DOI but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeltiCare is a health plan that began providing coverage for Massachusetts residents in October 2009. Licensing of CeltiCare increased the number of health plans for whom financial data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeltiCare are not included in this analysis. As health plan expenses may change over time, it is likely for a health plan to move across percentiles from one period to the next. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue. Sources: DOI annual financial statements.



Trends in Days in Reserve for Massachusetts Health Plans, 2007-2010



Days in reserve is a measure of financial solvency. It reflects the number of days a plan could fund medical expenses from its net worth.

Based on health plan self-reported financial information, the average number of days that health plans could fund medical expenses from their net worth (reserves) improved from 45 days in Q1 2010 to just under 60 days in Q3 2010.

Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 58 means that one half of all health plans for whom data are reported had more than 58 days in reserve and one-half had less than 58 days in reserve.

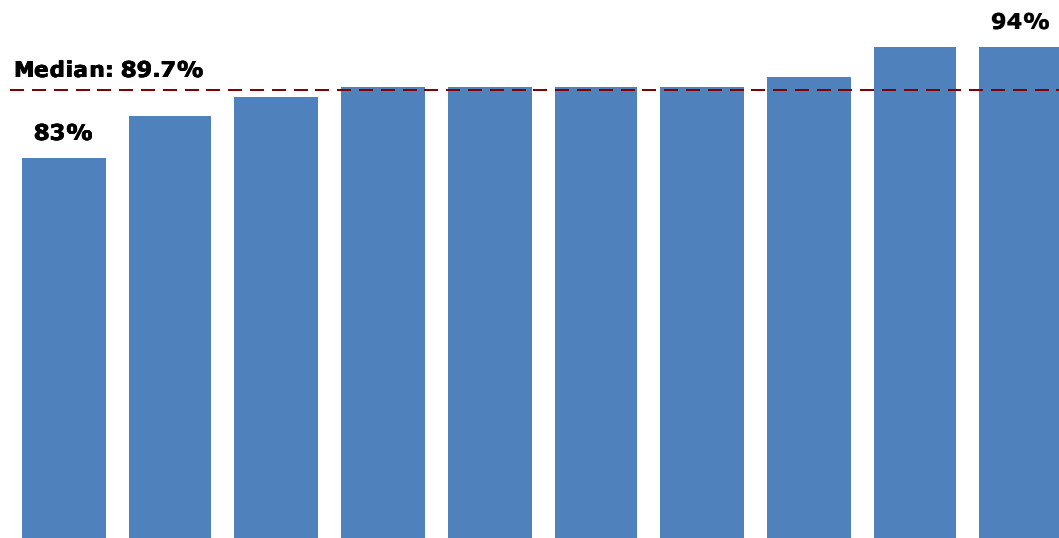
Notes: Days in reserve is calculated by dividing net worth (including total capital and surplus) by the result of dividing total medical and administrative expenses by the number of days in the year. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations licensed with DOI or under contract with MassHealth. HMOs registered but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeltiCare is a health plan that started providing coverage for Massachusetts residents in October 2009. Licensing of CeltiCare increased the number of health plans for whom financial data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeltiCare are not included in this analysis. As health plan expenses may change over time, it is likely for a health plan to move across percentiles from one period to the next. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue.

Sources: DOI annual financial statements.



Variation in Medical Expense Ratios for Massachusetts Health Plans, 3rd Quarter of 2010

■ Health Insurance Plans



Based on health plan self-reported financial information, during the third quarter of 2010, only three health plans spent less than 90% of total health care related revenue on medical services received by members.*

*Quarterly results may not be indicative of year-end performance.

Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. For detailed information on health plan financials by plan, see [Study of the Reserves and Surpluses of Health Insurers in Massachusetts](#).

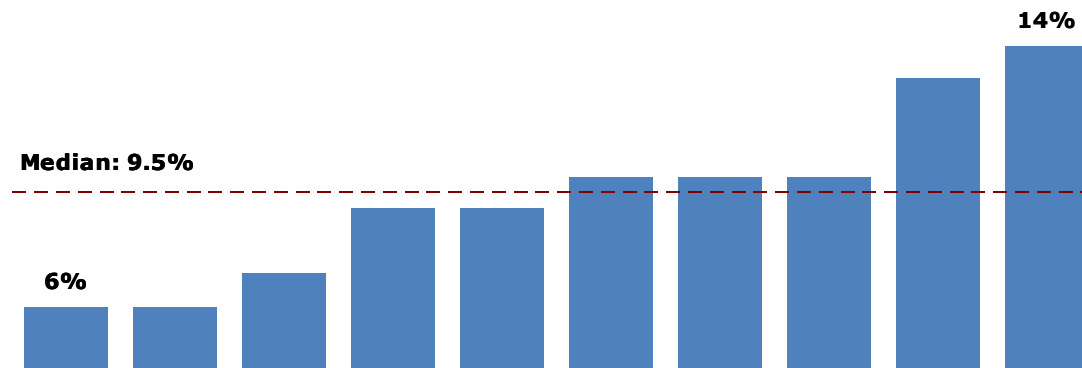
Notes: Medical expense ratio is calculated by dividing the total hospital and medical expenses by revenue. In accordance with NAIC reporting standards, revenue here includes premium income and aggregate write-ins for other health care related revenues. It does not include write-ins for non-health revenues or investment income. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations (HMOs) licensed with DOI or under contract with MassHealth. HMOs registered with DOI but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeliCare is a health plan that began providing coverage for Massachusetts residents in October 2009. Licensing of CeliCare increased the number of plans for whom financial data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeliCare are not included in this analysis. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue.

Sources: DOI annual financial statements.



Variation in Administrative Expense Ratios for Massachusetts Health Plans, 3rd Quarter of 2010

■ Health Insurance Plans



Self-reported health plan financial data show that the overall median administrative expense ratio went up from 8.9% during Q1 2010 to 9.5% in Q3 2010, although there were variations across health plans.*

*Quarterly results may not be indicative of year-end performance.

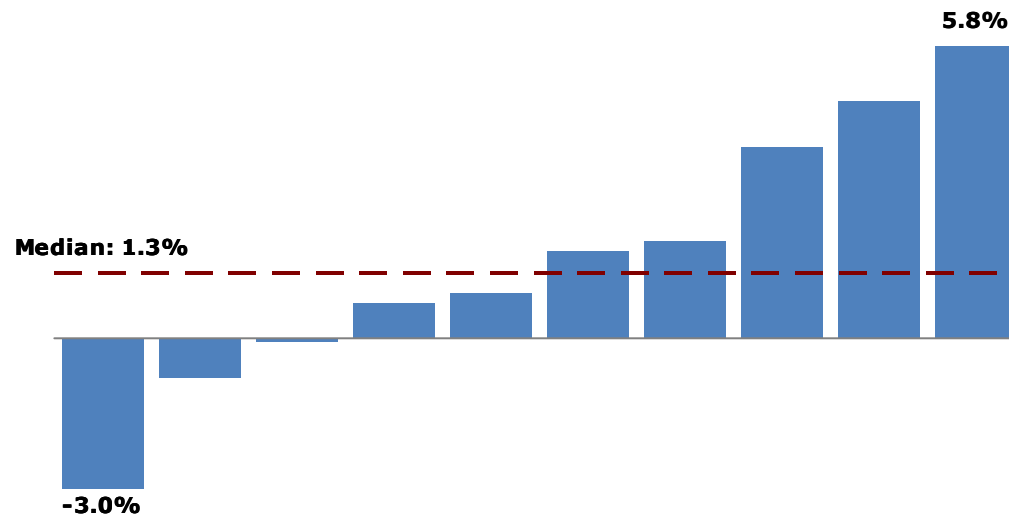
Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. For detailed information on health plan financials by plan, see [Study of the Reserves and Surpluses of Health Insurers in Massachusetts](#).

Notes: Administrative expense ratio is calculated by dividing the total administrative expenses (including claims adjustment and general administrative expenses) by revenue. In accordance with NAIC reporting standards, revenue here includes premium income and aggregate write-ins for other health care related revenues. It does not include write-ins for non-health revenues or investment income. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations licensed with DOI or under contract with MassHealth. HMOs registered with DOI but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeltiCare is a plan that began providing coverage for Massachusetts residents in October 2009. Licensing of CeltiCare increased the number of health plans for whom data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeltiCare are not included in this analysis. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue. Sources: DOI annual financial statements.



Variation in Profit Margins for Massachusetts Health Plans, 3rd Quarter of 2010

■ Health Insurance Plans



Self-reported health plan data show that overall, health plan profit margins improved during the third quarter of 2010.

Compared to the first six months of 2010, only three plans reported negative margins in Q3 2010.*

*Quarterly results may not be indicative of year-end performance.

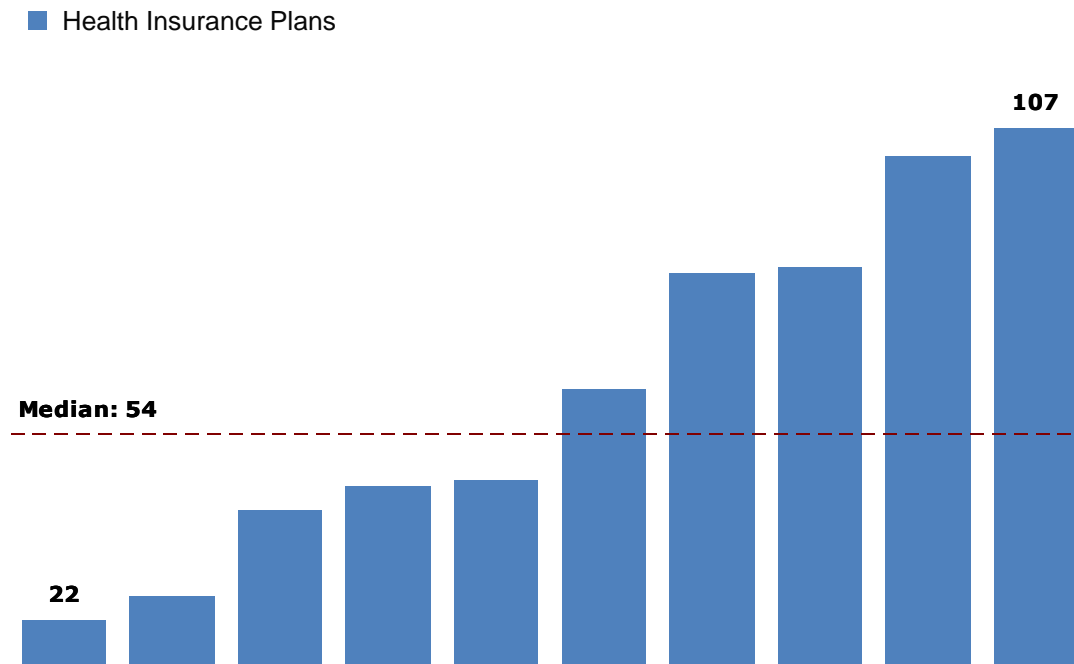
Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. For detailed information on health plan financials by plan, see [Study of the Reserves and Surpluses of Health Insurers in Massachusetts](#).

Notes: Profit margin is calculated by dividing net income by total revenue. Total revenue here includes premium income, aggregate write-ins for other health care related revenues, and investment gain/loss. It does not include write-ins for non-health revenues. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations licensed with DOI or under contract with MassHealth. HMOs registered with DOI but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CeliCare is a health plan that began providing coverage for Massachusetts residents in October 2009. Licensing of CeliCare increased the number of health plans for whom financial data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CeliCare are not included in this analysis. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue.

Sources: DOI annual financial statements.



Variation in Days in Reserve for Massachusetts Health Plans, 3rd Quarter of 2010



There was variation in the number of days that health plans could fund medical expenses from their net worth. While the median number of days in reserve was almost two months during Q3 2010, self-reported health plan data suggests that some plans reserves were insufficient to fund one month of medical expenses.*

*Quarterly results may not be indicative of year-end performance.

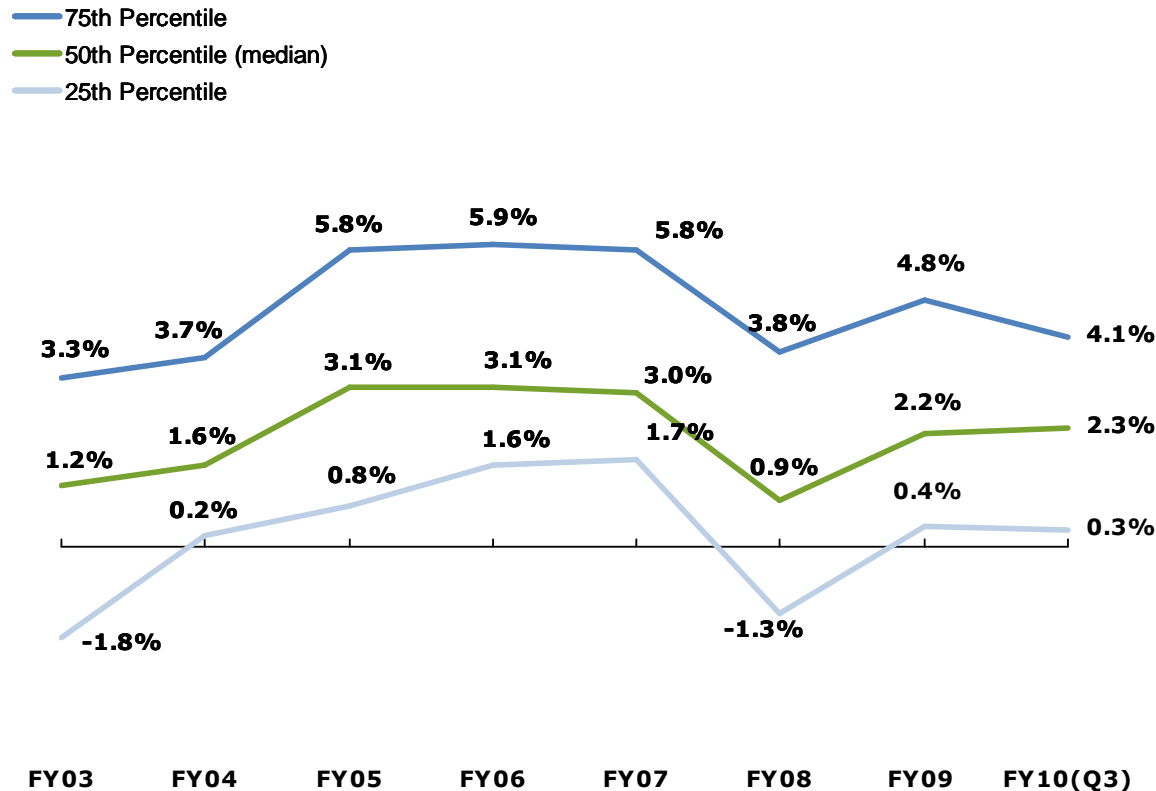
Health plan financial information is derived from quarterly and annual financial statements that health plans self-report to the Division of Insurance. For detailed information on health plan financials by plan, see [Study of the Reserves and Surpluses of Health Insurers in Massachusetts](#).

Notes: Days in reserve is calculated by dividing net worth (including total capital and surplus) by the result of dividing total medical and administrative expenses by the number of days in the year. Massachusetts Division of Insurance (DOI) financial information represents both in-state and out-of-state business in private insurance products, Medicare, MassHealth and Commonwealth Care. Information is limited to the health maintenance organizations licensed with DOI or under contract with MassHealth. HMOs registered but with less than 10,000 covered lives are excluded from this analysis as financial information for these companies is more volatile. CultiCare is a health plan that started providing coverage for Massachusetts residents in October 2009. Licensing of CultiCare increased the number of health plans for whom financial data are reported from 12 in 2007/2008 to 13 in 2009. However, financial ratios for CultiCare are not included in this analysis. MassHealth 4B reports were used to calculate financial ratios for Network Health during calendar year 2009. Blue Cross Blue Shield of Massachusetts (BCBSMA) includes the combined performance of BCBSMA and HMO Blue.

Sources: DOI annual financial statements.



Total Margin Trends for Massachusetts Acute Hospitals by Fiscal Year



Although more hospitals reported a loss, some hospitals have improved earnings through FY2010 (FY10Q3) compared with 2009.

In FY10Q3, fourteen out of sixty-four hospitals (22%) reported a total loss compared with thirteen hospitals (20%) during FY09.

Benchmark: Northeast US median FY08 = 0.9%

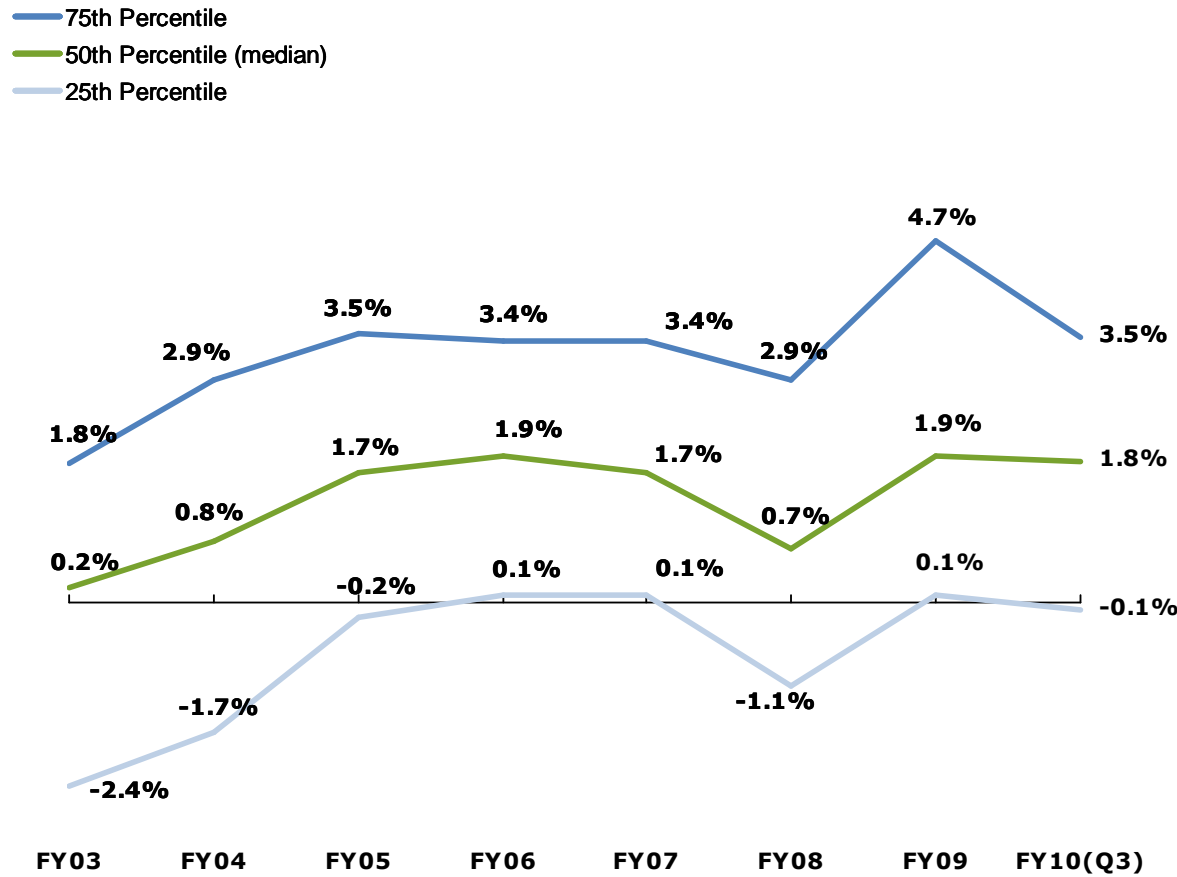
Benchmark Source: 2010 Almanac of Hospital Financial and Operating Indicators, INGENIX

Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 3.0% means that one half of all hospitals for whom data are reported had total margin ratio of less than 3.0% and one-half had a ratio above 3.0%.

Notes: Total margin is calculated by dividing total income by total revenue. Fiscal year ends (FYE) vary across hospitals.
Source: DHCFP Acute hospital financial data, for more information, please visit <http://www.mass.gov/dhcfp>. Click on "Publications and Analyses" then go to "Hospital Financial Reports."



Operating Margin Trends for Massachusetts Acute Hospitals by Fiscal Year



Sixteen hospitals (25%) reported a loss from operations in FY10Q3, compared with fourteen hospitals (22%) in 2009.

The number of hospitals with operating losses is, however, an improvement over the 22 hospitals who reported operating losses during the second quarter of FY2010.

Benchmark: Northeast US median FY08 = 0.9%

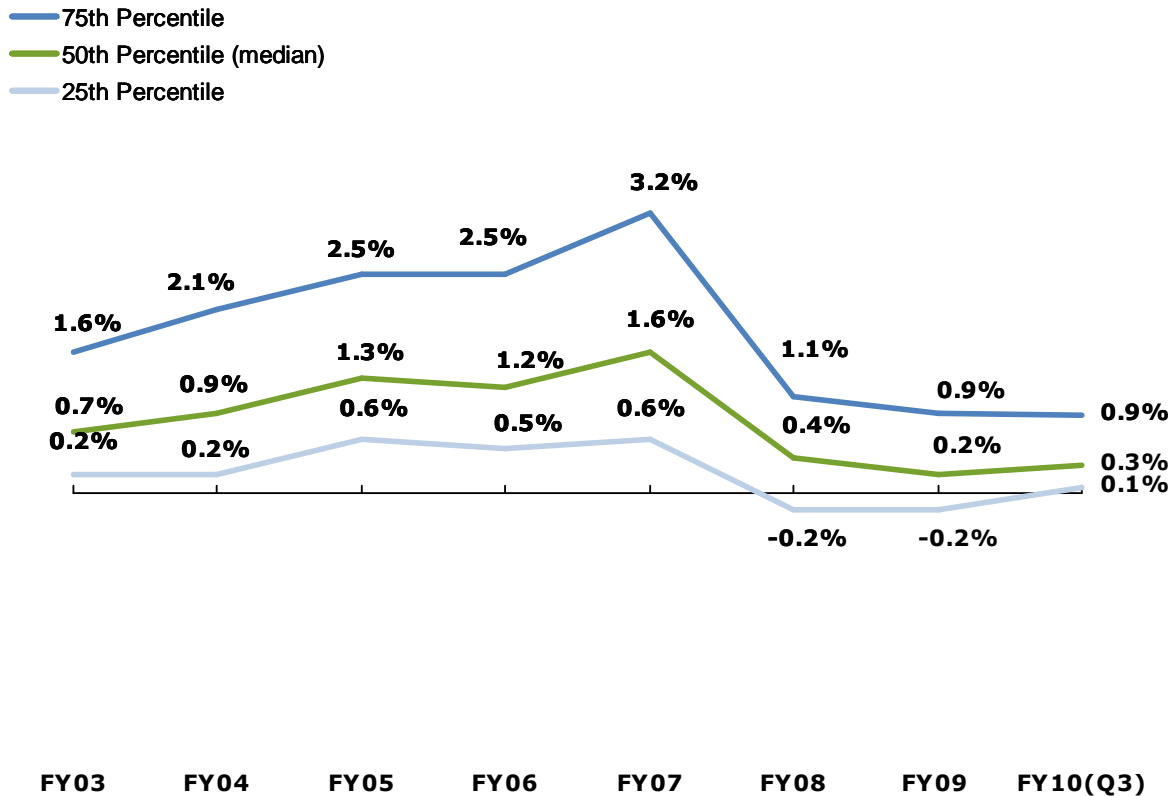
Benchmark Source: INGENIX Consulting based on the hospital financial database used for the 2010 Almanac of Hospital Financial and Operating Indicators, INGENIX

Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 1.9% means that one half of all hospitals for whom data are reported had an operating margin ratio of less than 1.9% and one-half had a ratio above 1.9%.

Notes: Operating margin is calculated by dividing operating income by total revenue. Fiscal year ends (FYE) vary across hospitals. Source: DHCFP Acute hospital financial data, for more information, please visit <http://www.mass.gov/dhcfp>. Click on "Publications and Analyses" then go to "Hospital Financial Reports."



Non-Operating Margin Trends for Massachusetts Acute Hospitals by Fiscal Year



Non-operating margins for acute hospitals remained virtually unchanged between end of the 2009 Fiscal Year and quarter three of the 2010 Fiscal Year (FY10Q3).

More hospitals posted negative non-operating margins in FY10Q3 compared to the second quarter of 2010 (14% compared with 6%).

Benchmark: Northeast US median FY08 = 0.07%

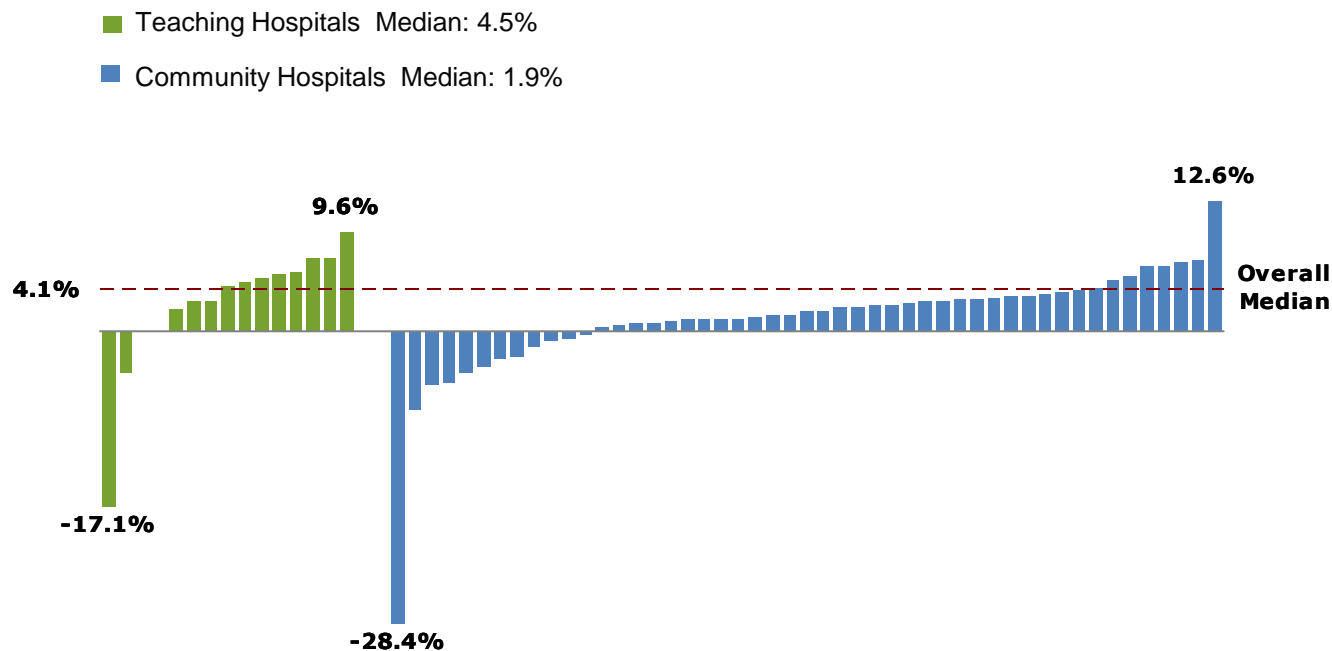
Benchmark Source: INGENIX Consulting based on the hospital financial database used for the 2010 Almanac of Hospital Financial and Operating Indicators, INGENIX

Percentile represents a value below or above which a certain percent of all values fall. For example, a 50th percentile value of 1.6% means that one half of all hospitals for whom data are reported had a non-operating margin ratio of less than 1.6% and one-half had a ratio above 1.6%.

Notes: Non-operating margin is calculated by dividing non-operating income by total revenue. Fiscal year ends (FYE) vary across hospitals. Source: DHCFCP Acute hospital financial data, for more information, please visit <http://www.mass.gov/dhcfp>. Click on "Publications and Analyses" then go to "Hospital Financial Reports."



Variation in Total Margins for Massachusetts Acute Hospitals by Teaching Status, 3rd Quarter of 2010



The overall financial performance of acute hospitals varies widely for both teaching and community hospitals.

Two teaching hospitals, compared to 12 community hospitals, reported losses during the first nine months of hospital fiscal year 2010. Also, on average, teaching hospitals reported higher total margins than community hospitals.

Benchmark: Northeast US median FY08 = 0.9%

Benchmark Source: 2010 Almanac of Hospital Financial and Operating Indicators, INGENIX

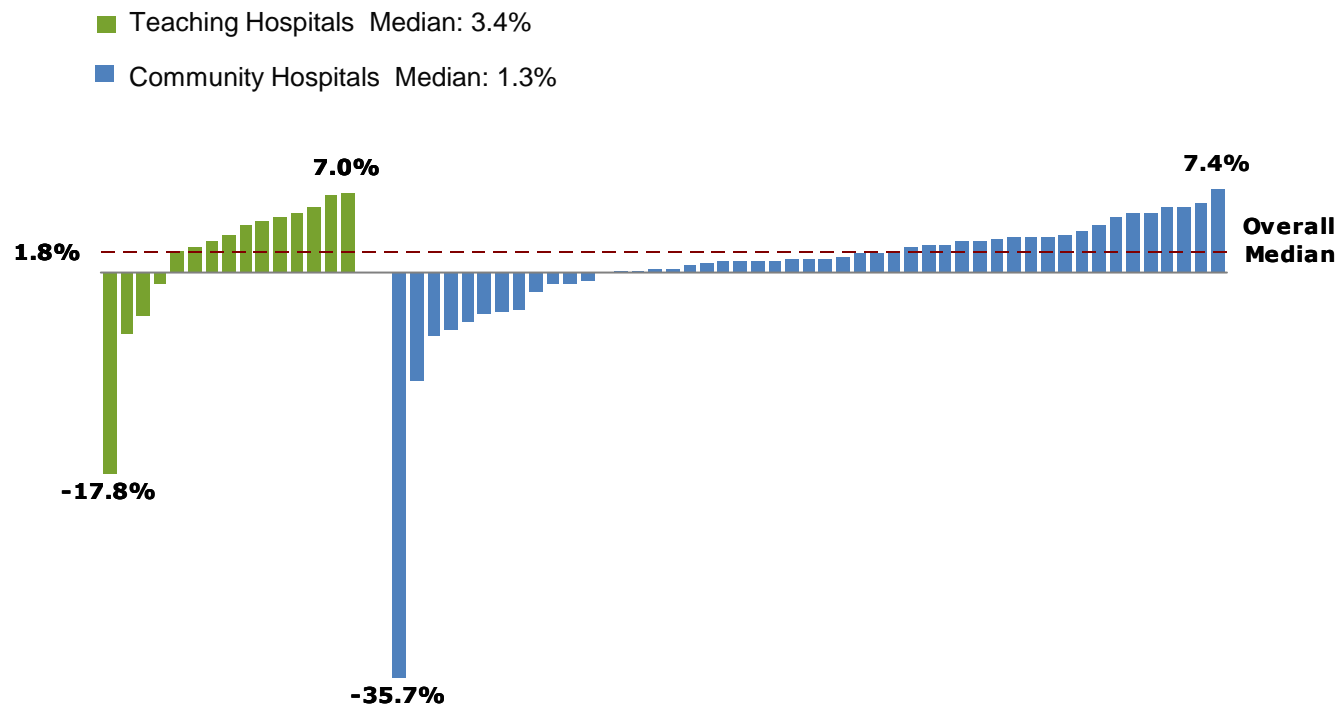
For detailed information on hospital financials by hospital, see the Division's [Study of the Reserves and Surpluses of Hospitals in Massachusetts](#).

Notes: Total margin is calculated by dividing total income by total revenue. Fiscal year ends (FYE) vary across hospitals.

Source: DHCFC Acute hospital financial data, for more information, please visit <http://www.mass.gov/dhcfp>. Click on "Publications and Analyses" then go to "Hospital Financial Reports."



Variation in Operating Margins for Massachusetts Acute Hospitals by Teaching Status, 3rd Quarter of 2010



Operating margin performance varied widely for both teaching and community hospitals during the third quarter of 2010.

Four teaching hospitals and 12 community hospitals reported operating losses in FY10Q3.

Benchmark: Northeast US median FY08 = 0.9%

Benchmark Source: INGENIX Consulting based on the hospital financial database used for the 2010 Almanac of Hospital Financial and Operating Indicators, INGENIX

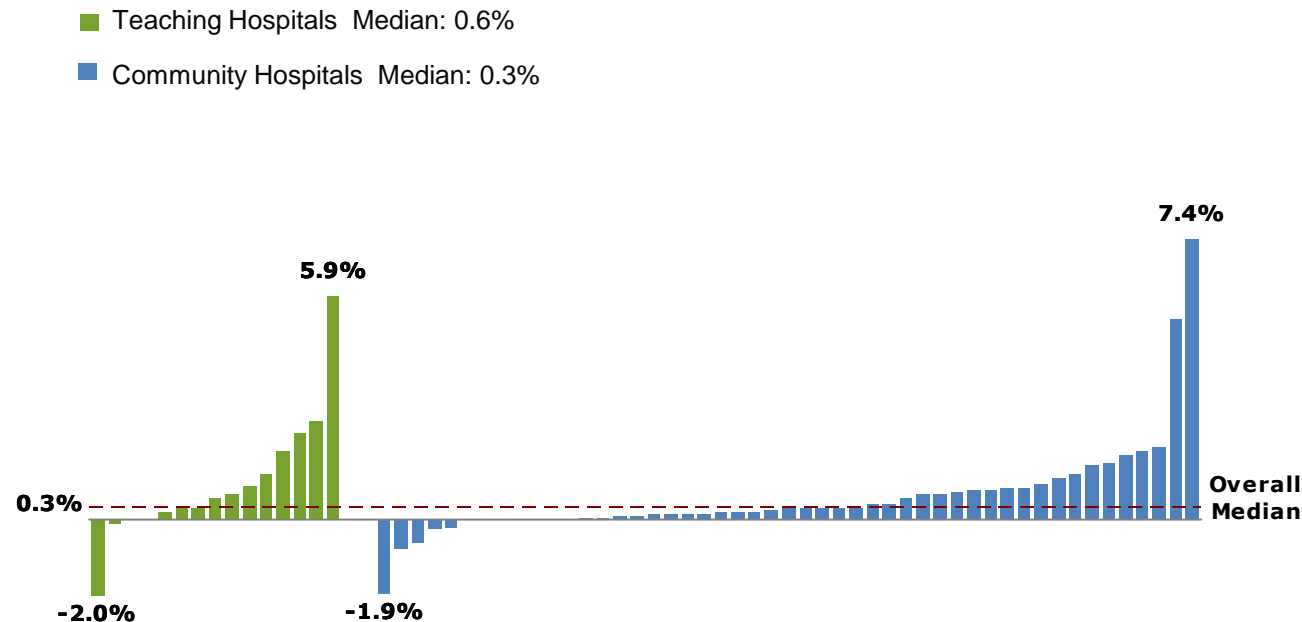
For detailed information on hospital financials by hospital, see the Division's [Study of the Reserves and Surpluses of Hospitals in Massachusetts](#).

Notes: Operating margin is calculated by dividing operating income by total revenue. Fiscal year ends (FYE) vary across hospitals.

Source: DHCFP Acute hospital financial data, for more information, please visit <http://www.mass.gov/dhcfp>. Click on "Publications and Analyses" then go to "Hospital Financial Reports."



Variation in Non-Operating Margins for Massachusetts Acute Hospitals by Teaching Status, 3rd Quarter of 2010



Many hospitals reported more favorable non-operating margins during quarter three of 2010 compared with FY09.

Two teaching hospitals and six community hospitals reported non-operating losses in FY10Q3 compared with four teaching hospitals and nineteen community hospitals in FY09.

Benchmark: Northeast US median FY08 = 0.07%

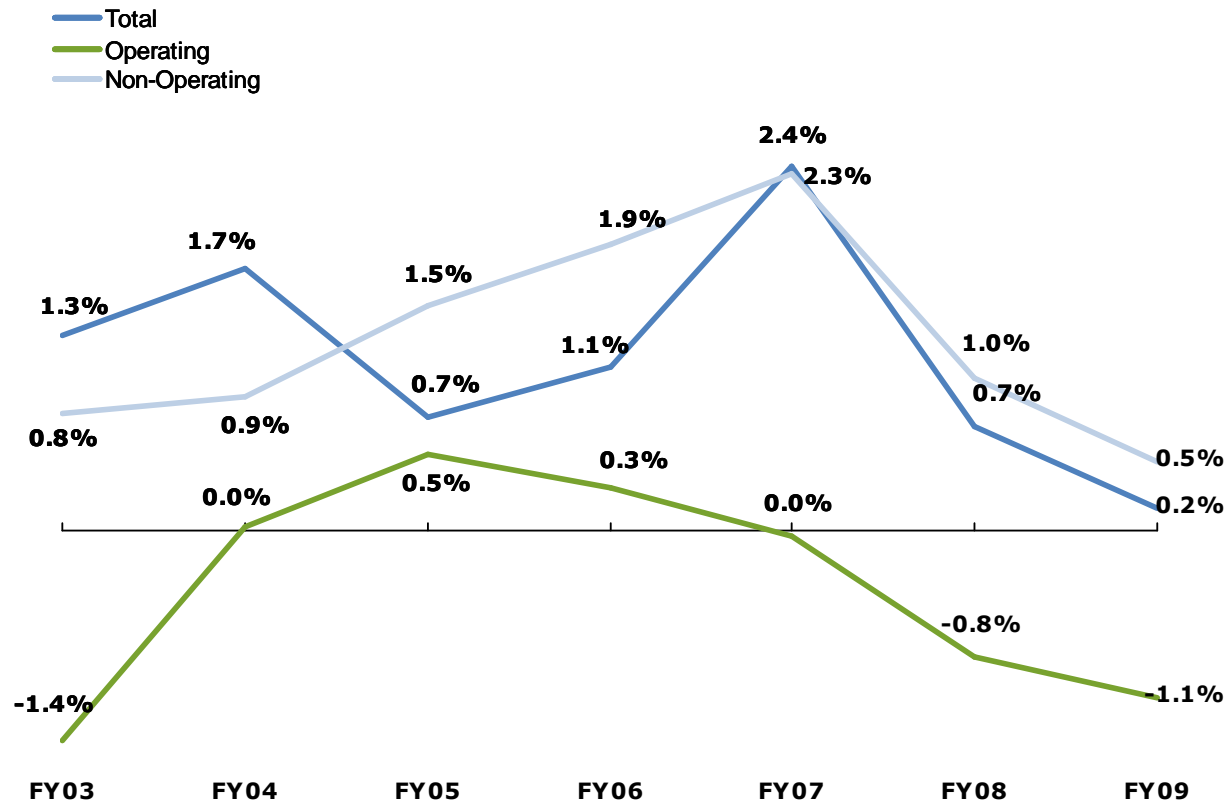
Benchmark Source: INGENIX Consulting based on the hospital financial database used for the 2010 Almanac of Hospital Financial and Operating Indicators, INGENIX

For detailed information on hospital financials by hospital, see the Division's [Study of the Reserves and Surpluses of Hospitals in Massachusetts](#).

Notes: Non-operating margin is calculated by dividing non-operating income by total revenue. Fiscal year ends (FYE) vary across hospitals.
Source: DHCFP Acute hospital financial data, for more information, please visit <http://www.mass.gov/dhcfp>. Click on "Publications and Analyses" then go to "Hospital Financial Reports."



Median Financial Margins for Massachusetts Community Health Centers by Fiscal Year



Total margins for community health centers (CHCs) have remained positive in the seven years between FY03 and FY09, largely due to positive non-operating margins. In FY09, 33 out of the 37 CHCs for whom data are reported had positive non-operating margins.

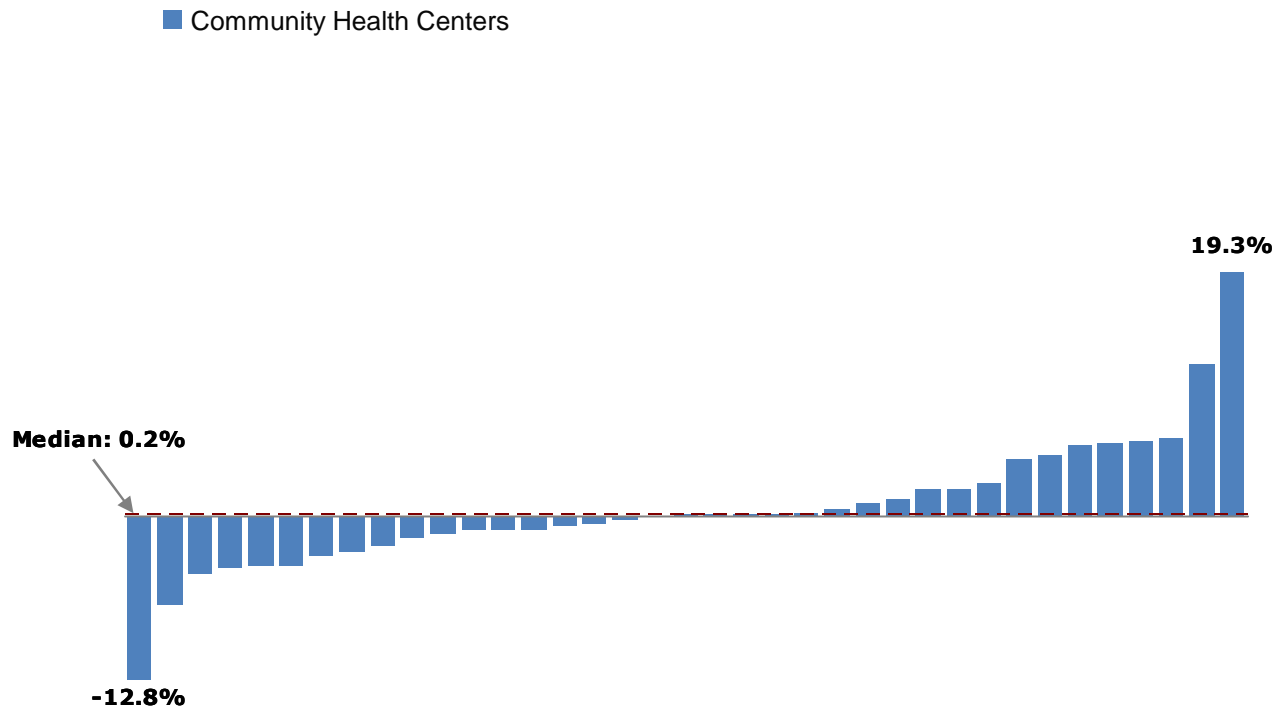
CHCs experienced an overall decline in financial performance from FY08 to FY09.

Median represents a value below or above which a certain percent of all values fall. A median value of 2.4% means that one half of all CHCs for whom data are reported had a margin of less than 2.4% and one-half had a margin above 2.4%.

Notes: Fiscal year ends (FYE) vary across CHCs: of 37 CHCs, 30 have a June 30 FYE, four have a September 30 FYE, two have a December 31 FYE, and one has a July 31 FYE.
Source: CHC audited financial statements for freestanding CHCs from FY03 through FY09.



Variation in Total Margins for Massachusetts Community Health Centers, 2009 Fiscal Year

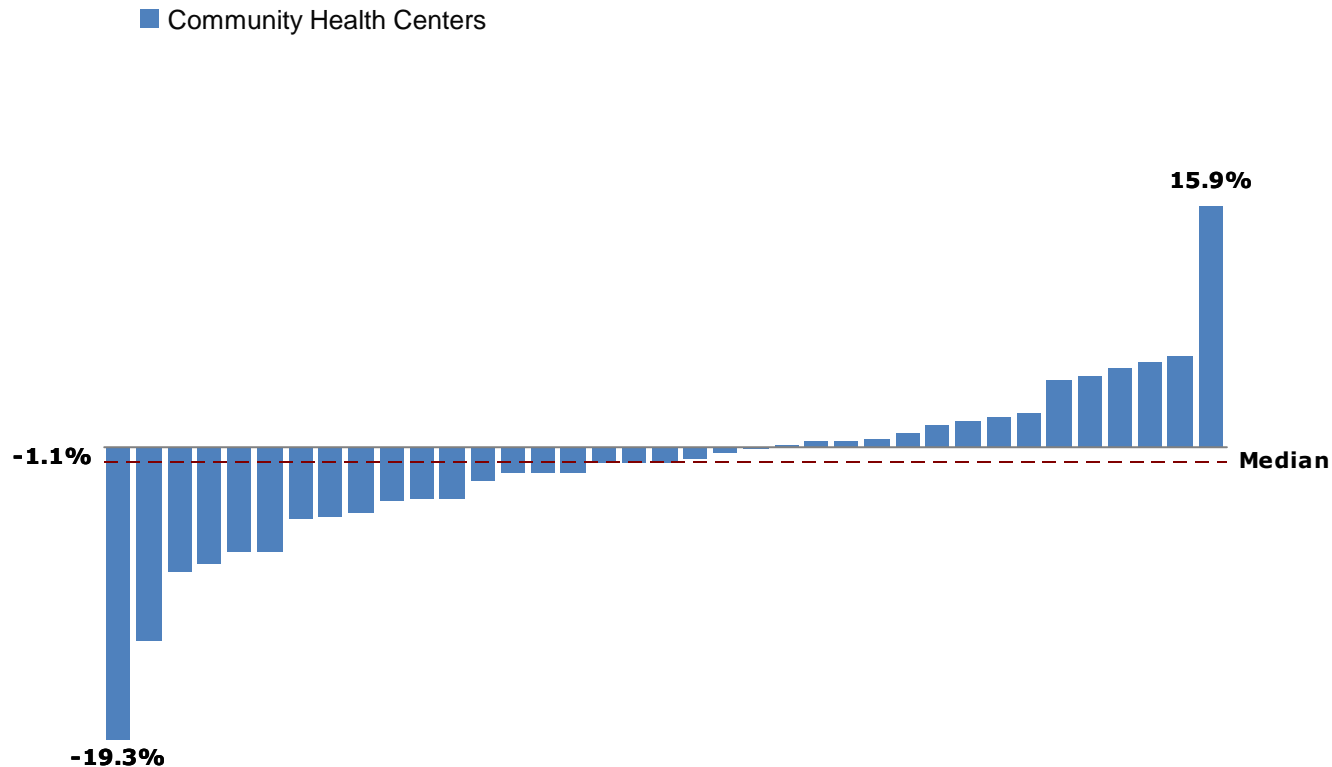


Total margin for community health centers (CHCs) ranged from -12.8% to +19.3% in their 2009 fiscal year. Over half of CHC's (20 of 37) experienced positive total margins.

Notes: Total margin is calculated by dividing total income by total revenue. Fiscal year ends (FYE) vary across CHCs: of 37 CHCs, 30 have a June 30 FYE, four have a September 30 FYE, two have a December 31 FYE, and one has a July 31 FYE.
Source: CHC audited financial statements for 37 freestanding CHCs in FY09.



Variation in Operating Margins for Massachusetts Community Health Centers, 2009 Fiscal Year

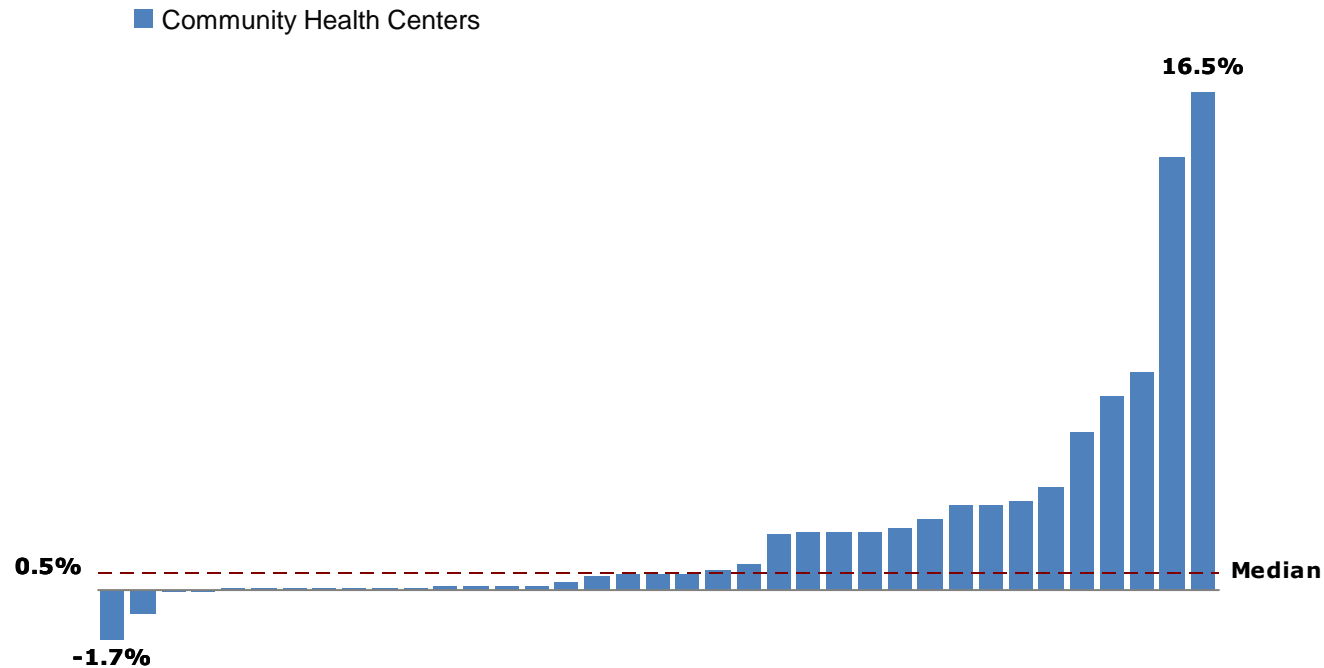


Operating margins for community health centers (CHCs) ranged from -19.3% to +15.9% in their 2009 fiscal year. The majority of CHCs lost money on operations.

Notes: Operating margin is calculated by dividing operating income by total revenue. Fiscal year ends (FYE) vary across CHCs: of 37 CHCs, 30 have a June 30 FYE, four have a September 30 FYE, two have a December 31 FYE, and one has a July 31 FYE.
Source: CHC audited financial statements for 37 freestanding CHCs in FY09.



Variation in Non-Operating Margins for Massachusetts Community Health Centers by Fiscal Year



Non-operating margins for community health centers (CHCs) ranged from -1.7% to +16.5% during the 2009 fiscal year.

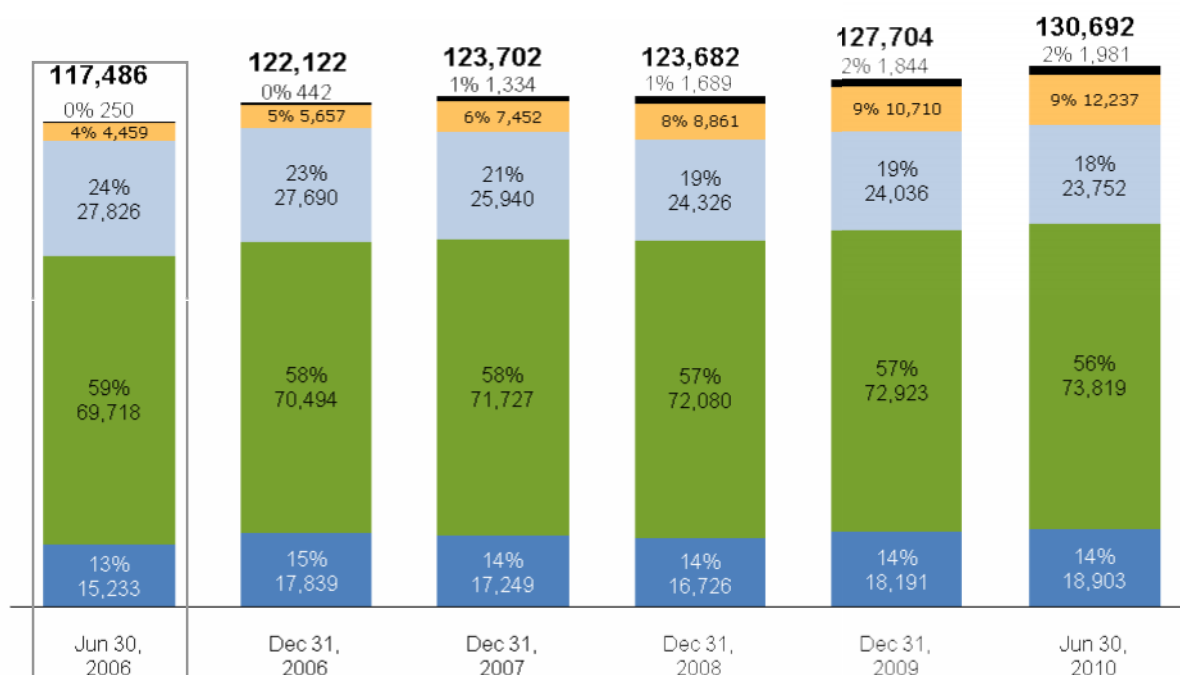
Note: Non-operating margin is calculated by dividing non-operating income by total revenue. Fiscal year ends (FYE) vary across CHCs: of 37 CHCs, 30 have a June 30 FYE, four have a September 30 FYE, two have a December 31 FYE, and one has a July 31 FYE.
Source: CHC audited financial statements for 37 freestanding CHCs in FY09.



MassHealth Members, 2006-2010

Ages 65+

- Senior Care Options (nursing facilities)
- Senior Care Options (community)
- FFS Seniors Residing in Nursing Facilities
- FFS Seniors Residing in the Community
- Medicare Buy-In Only



The proportion of MassHealth members ages 65 and older enrolled in Senior Care Options (SCO – community and nursing facilities) nearly tripled from 4% in June 2006 to 11% in June 2010. Growth may be attributed in part to SCO's focus on integrated care for members, which brings together Medicare, MassHealth, and home care services in one place, with care coordinated through a primary care doctor.

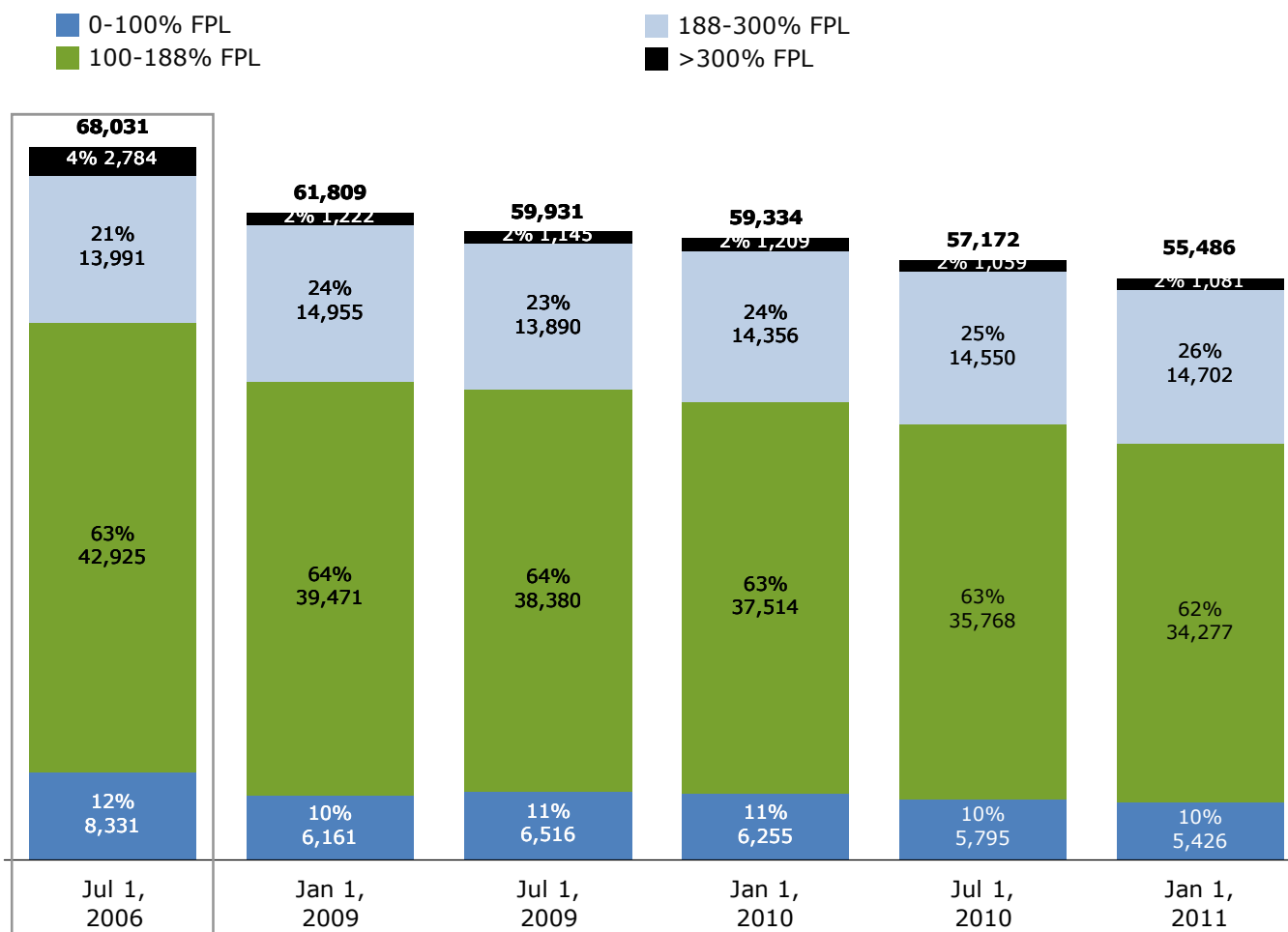
The proportion of seniors with MassHealth coverage residing in nursing facilities (including both those enrolled in SCO and those not enrolled in SCO) declined from 24% to 18% over the same period.

Notes: "FFS"= fee for service. Percentages may not sum to 100 due to rounding.
Source: MassHealth Monthly Enrollment Snapshot Report as of June 30, 2010.



Massachusetts Residents Ages 65+ Enrolled in Prescription Advantage

by Percent Federal Poverty Level (FPL)



Seventy-three percent (73%) of those enrolled in Prescription Advantage (PA) have incomes below 188% of the federal poverty level (FPL). Total enrollment in PA declined by 10.2% between January 1, 2009 and January 1, 2011.

Prescription Advantage is a prescription drug insurance plan available to Massachusetts residents age 65 and older. The plan is also available to younger individuals with disabilities who meet income and employment eligibility. PA offers two types of coverage: income-based supplemental assistance for individuals with Medicare, and assistance with plan copayments for members enrolled in creditable coverage plans.

Note: Percentages may not sum to 100 due to rounding.

Sources: Massachusetts Executive Office of Elder Affairs; US Census estimates are used to calculate the percent of Massachusetts residents ages 65 and older enrolled in Prescription Advantage.





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